

ASX Announcement

19 December 2022

The Manager
ASX Market Announcements
ASX Limited

TRADING UPDATE

The Company currently expects to deliver first half EBITDA in the range of \$30-32 million, up approximately 70% on the second half of FY22.

Market conditions during the first half have been stronger than anticipated with increased activity in our traditional oil and gas markets together with offshore wind developments in South-East Asia driving demand for our assets and services.

Utilisation of our vessel fleet for the first five months of the financial year has averaged 82% (up from 66% in the first half of FY22). Importantly, our MPSV fleet was almost fully utilised at 92% and this has been the major driver of the improvement in earnings. We have also seen a firming in rates which translates directly to our bottom line.

Our subsea division had a strong first half, delivering a number of substantial integrated projects across oil and gas, offshore wind and defence and utilising a combination of MMA owned and third-party vessels which has contributed to our improved financial result.

At present market conditions for the second half are encouraging, however the Company has yet to contract a number of our larger vessels or integrated scopes through the traditionally quieter monsoon period.

In addition, MMA wishes to update the market of the following key contracts recently entered into:

- The platform supply vessel “MMA Plover” has been extended for a further 11 months at an improved day rate.
- The platform supply vessel “ASL Harmony” has been bareboat chartered (leased) into the fleet for a minimum period of one year and up to four years at MMA’s option. This enhances MMA’s earning capability in a rising market without the deployment of capital.
- The offshore support vessel “Mermaid Strait” has been sold but will remain in the fleet through a bareboat charter arrangement for 18 months firm with mutual options to extend. This transaction allows MMA to maintain capacity in the fleet whilst reducing capital deployed. The sale was contracted at above book value, with the proceeds (A\$13 million) to be used to further reduce the net debt position.

Commenting on the announcement, MMA's Managing Director Mr. David Ross said:

"We are very pleased to report a stronger than expected start to the financial year with increased activity across all of our key markets driving higher earnings and returns on our assets. The current recovery in oil and gas activity combined with growth in offshore wind developments presents a unique opportunity for MMA to maximise the returns from our existing business whilst positioning the Company for the future.

"Our first half performance illustrates the strength of our operating leverage when utilisation increases and rates improve, combined with our ability to create incremental returns through integrated project scopes.

"Whilst we still need to navigate through the quieter monsoon third quarter, and we have yet to contract a number of our larger vessels or integrated scopes into the second half, visibility is continuing to improve."

For further information please contact:

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This announcement has been authorised for release to the ASX by the Company's Board of Directors.