

ASX Announcement

18 April 2024



MMA
OFFSHORE

TRADING UPDATE

MMA Offshore Limited (“MMA”) is pleased to provide the following trading update in respect of the second half of FY2024.

The vessel division is forecasting higher than expected fleet utilisation for the second half of the current financial year as a result of minimal downtime between short-term contracts combined with the recent declaration of options and contract extensions by various clients. MMA’s larger multipurpose vessels are now anticipated to operate at approximately 95% utilisation with overall fleet utilisation forecast to reach approximately 90% for the second half. Whilst these levels are very pleasing, they are unprecedented and unlikely to be sustainable under MMA’s current short-term contracting strategy.

The subsea division has successfully delivered a number of key standalone and integrated projects at higher than forecast margins and has secured additional work scopes which will further contribute to better than expected second half earnings.

Overall earnings continue to be positively impacted by the USD/AUD exchange rate and a high quantum of earnings derived from US dollar denominated contracts.

MMA provides the following earnings guidance for FY2024¹:

- Underlying EBITDA is expected to be in the range of \$136-142 million.
- Underlying EBIT is expected to be in the range of \$86-92 million.

The above guidance remains subject to the final outcome of project execution and overall operational performance over the remainder of FY2024.

In addition, MMA received payment of \$4.3 million from the Saudi Arabian courts. This payment related to the partial recovery of a historical bad debt from Makamin Offshore Saudi Ltd that had been fully provisioned in FY2020. This payment is considered non-recurring and has not been included in the underlying EBITDA forecast.

MMA’s contract profile for FY2025 remains materially unchanged. The business is now focused on building its backlog of contracted work for FY2025 and securing longer term contract positions to improve the overall stability of earnings for the coming years.

The MMA Board continues to unanimously recommend that MMA shareholders vote in favour of the Scheme of Arrangement with Cyan MMA Holdings, in the absence of a superior proposal and subject to an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of MMA shareholders.

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Authorised for release to the ASX by the Board of MMA Offshore Limited (ACN 083 185 693).

¹ Forecast FY2024 Underlying EBITDA/EBIT exclude the impact of the one-off \$4.3 million bad debt recovery received in H2 FY2024 and impairment reversal in H1.

