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ASX Announcement

22 February 2024

HALF YEAR RESULTS – 31 DECEMBER 2023

- EBITDA \$63.3M, up 97%
- Underlying EBIT \$40.2M, up 207%¹
- Underlying NPAT \$39.5M, up 339%²
- Operating Cash Flow \$64.5M, up 186%
- Strong momentum in key markets - rates continuing to strengthen
- Diversification – more than 50% of revenue from offshore wind, government & defence and decommissioning services

Results Overview

Revenue for the half year was \$204.3 million, up 28% on the previous corresponding period and earnings before interest, tax, depreciation and amortisation (“EBITDA”) were \$63.3 million, up 97%. The Company generated Net Profit after Tax (“NPAT”) of \$62.5 million which included an impairment reversal of \$23.0 million. Underlying NPAT was up 339% on the previous corresponding period excluding the impacts of impairment reversals and asset sales².

FY2024 Half Year Results	31 Dec 2023	31 Dec 2022	Variance
Revenue	\$204.3M	\$160.0M	▲ 28%
EBITDA	\$63.3M	\$32.1M	▲ 97%
Reported NPAT	\$62.5M	\$81.7M	▼ 24%
Underlying NPAT ²	\$39.5M	\$9.0M	▲ 339%

Cash at bank at 31 December 2023 was \$65.8 million with nil drawn down on the Company’s \$120 million revolving debt facility. Property, plant and equipment increased to \$445.4 million as a result of asset purchases, with depreciation broadly offset by the \$23.0 million reversal of prior years’ fleet impairments due to improved fleet valuations in the current market.

At a macro level, market conditions continue to be buoyant with strong demand from both the oil and gas and offshore wind sectors. Demand for both MMA’s vessels and subsea services was strong

¹ Excluding impairment reversal \$23.0M

² Reported NPAT for the half year ended 31 December 2023 of \$62.5M excluding \$23.0M impairment reversal was \$39.5M; Reported NPAT for the half year ended 31 December 2023 of \$81.7M excluding \$47.6M impairment reversal and \$25.1M profit on sale of assets / shipyard was \$9.0M

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throughout the first half with positive momentum continuing.

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

"Market conditions continue to be positive with strong demand for our vessels and services and ongoing rate improvements driving a 97% increase in EBITDA as compared to the first half of FY2023.

"The medium-term outlook for offshore activity remains strong with over US\$500 billion in greenfield oil and gas projects forecast to be sanctioned globally over the next five years including over US\$180 billion in our key operating regions. The offshore wind sector is also seeing unprecedented growth in our operating regions with more than 5,000 turbines expected to be installed in the Asia Pacific alone between 2024 and 2031³.

"Newbuild vessel orders are at a historic low, and with limited additional vessel supply expected to enter the market in the coming two to three years, favourable market conditions are expected to continue.

"With earnings improving and vessel values continuing to increase globally, we reversed the remaining \$23 million in prior years' vessel impairments during the half. This unwinds all remaining vessel impairments recorded in previous financial years.

"Our diversification strategy continues to progress very well, with the Company generating more than 50% of first half revenue from outside of our traditional oil and gas markets, including approximately 25% from Offshore Wind, 10% from Government & Defence and 14% from decommissioning services. We are also geographically diversified with approximately 50% of first half revenue generated from outside of Australia/ New Zealand.

"Our subsea business had an excellent first half delivering a 91% increase in EBITDA to \$10.3 million as a result of improved margins and enhanced project delivery. Similarly, the vessel business delivered a strong result, generating a 74% increase in EBITDA to \$57.0 million, on the back of solid utilisation and strengthening rates.

"We continue to maximise our return on assets through the integration of subsea services onboard our vessels with several integrated projects completed during the half. Pleasingly, MMA was engaged in several integrated projects in the Taiwanese offshore wind market, including a cable trenching scope utilising the "MMA *Crystal*" and a survey and ROV project with the "MMA *Pinnacle*".

"We grew our Government & Defence business with a \$30 million robotics and autonomous familiarisation project being undertaken for the Australian Navy and our continued involvement in the Australian Government's hydrographic survey program. We also recently commenced an \$80 million four-year contract to technically manage the research vessel "RV *Investigator*" on behalf of the CSIRO.

"We recently added two new vessels to the fleet with the purchase of the "Offshore *Solution*" to supplement our multi-purpose support vessel fleet. The vessel was funded through cash reserves and has been utilised by our subsea division since joining the fleet. Reactivation of the previously chartered vessel "MMA *Harmony*" was recently completed with the vessel joining the fleet and commencing its

³ Rystad, Feb 2024





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first contract in February 2024, contributing to second half earnings.

“MMA finished the first half in a strong financial position with Cash at Bank totalling \$65.8 million and \$120 million in available debt capacity on the Company’s revolving debt facility. This places the Company well to pursue both organic and inorganic growth opportunities as they present and provides capacity for a discretionary fully franked dividend to shareholders in respect of the FY2024 financial year (subject to growth opportunities).

“We expect market conditions into the second half to continue to be positive with momentum in all of our key markets. Both the vessel and subsea business have contracted well through the traditional monsoon period and into the second half, with second half earnings currently anticipated to be in line with the first half.”

FY2024 Half Year Results Investor Teleconference and Webcast

MMA Offshore Limited (“MMA”) invites investors to attend its FY2024 Half Year Investor Teleconference and Webcast scheduled to be held at 8:30am AWST (11:30am AEST) on Thursday, 22 February 2024.

The teleconference and webcast will provide an overview of MMA’s FY2024 half year results followed by a question-and-answer session.

The webcast can be accessed at <https://webcast.openbriefing.com/mrm-hyr-2024/>

Investors who wish to participate in the question-and-answer session must pre-register for the teleconference at <https://s1.c-conf.com/diamondpass/10036165-hf78hs.html>

Following registration, you will be provided with the dial-in details and a unique access code.

For further information please contact:

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

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