



3Q 2024 RESULTS

November 13th, 2024

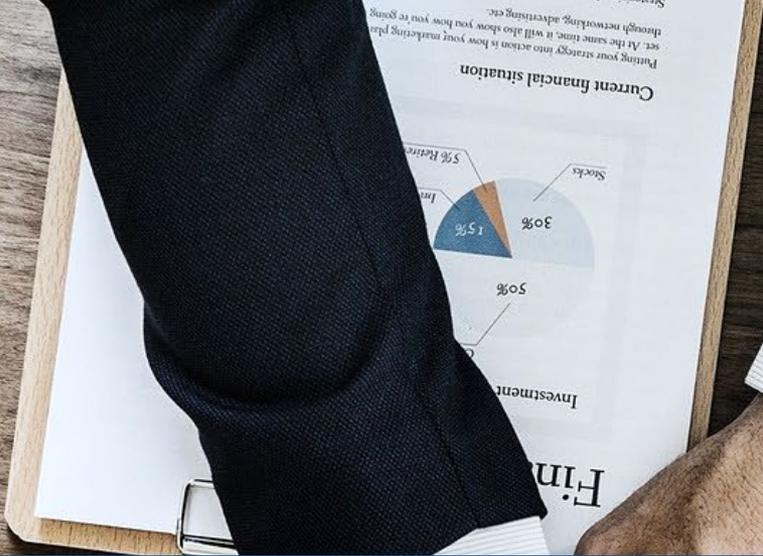
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AGENDA

-  Business Report
-  Financial Review
-  Business Outlook

BUSINESS REPORT



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y of the n Union

Are you innovative or are you the experienced type? Or do you offer a high-cost, high-quality product, or a low-cost, high-value product? It's impossible to be both what your customers need you to be. Your business needs you to be both. Your brand is the main foundation of your success. All should be connected with your brand. Having a good brand strategy to communicate with your target audience. Having a good brand strategy allows you to have a large advantage in your market competition. Increase in your market competition. Your brand tells your customers what they can have or expect from the products and services you offer. Your branding strategy as it relates to branding consistency should



3Q 2024 HIGHLIGHTS



MERMAID

- Mermaid Group continued to earn **high revenues from rendering services** in the 3-month period ended 30 September 2024 (“**3Q 2024**”) of **USD 150.2 million**, an increase of USD 65.0 million compared to the 3-month period ended 30 September 2023 (“YoY”), driven by growth in the cable lay and T&I and Decommissioning sectors in both the South East Asia and North Sea regions, while the revenue from subsea IRM remained stable. However, compared to the 3-month period ended 30 June 2024 (“QoQ”), revenue dropped by USD 7.8 million due to less revenue from decommissioning projects in the South East Asia region.
- **Net profit for 3Q 2024 was USD 1.1 million**, a QoQ and YoY decrease of USD 1.8 million and USD 5.8 million, respectively, mainly due to increased finance costs, lower profit sharing from joint ventures, and foreign exchange losses from the USD’s weakening against the THB.
- **EBITDA for 3Q 2024 was USD 10.7 million**, a QoQ and YoY decrease of USD 1.7 million and USD 3.7 million, respectively, mainly due to an increase in withholding taxes and traveling expenses.
- **The YTD net cash earned from operating activities was USD 13.4 million.**
- **The total order book was USD 814 million** at the end of September 2024. Mermaid Group has secured multiple project awards in the South East Asia, Middle East, North Sea, and Western Sub-Saharan regions for both the short-term and the long-term through to FY2026.
- The balance sheet showed a **current ratio of 1.03x** and a **debt-to-equity (“D/E”) ratio of 0.56x**.

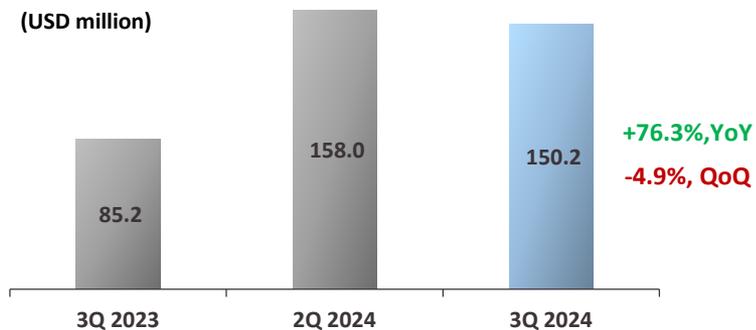
FINANCIAL HIGHLIGHTS



MERMAID

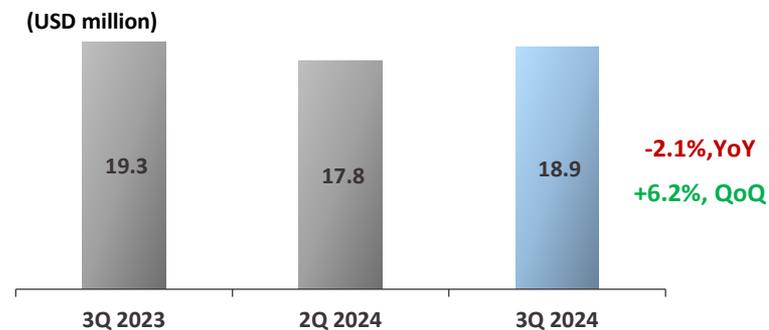
Revenue

(USD million)



Gross Profit ⁽¹⁾

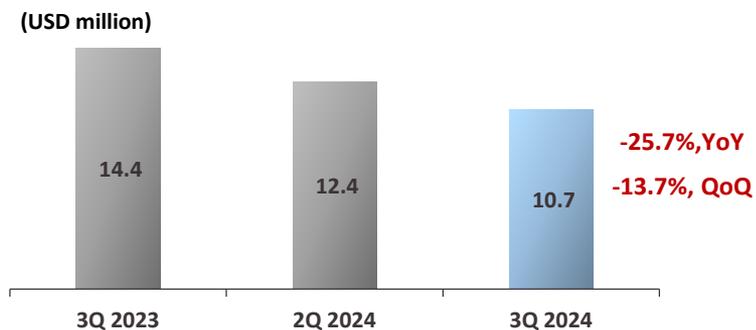
(USD million)



Note: ⁽¹⁾ excluding depreciation cost

EBITDA ⁽²⁾

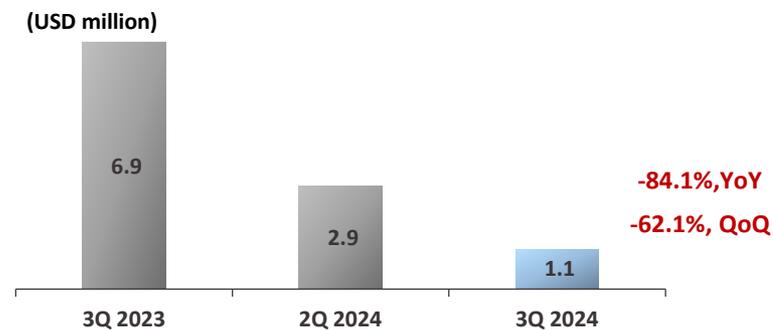
(USD million)



Note: ⁽²⁾ Earnings before interest, tax, depreciation and amortization

Net Profit

(USD million)

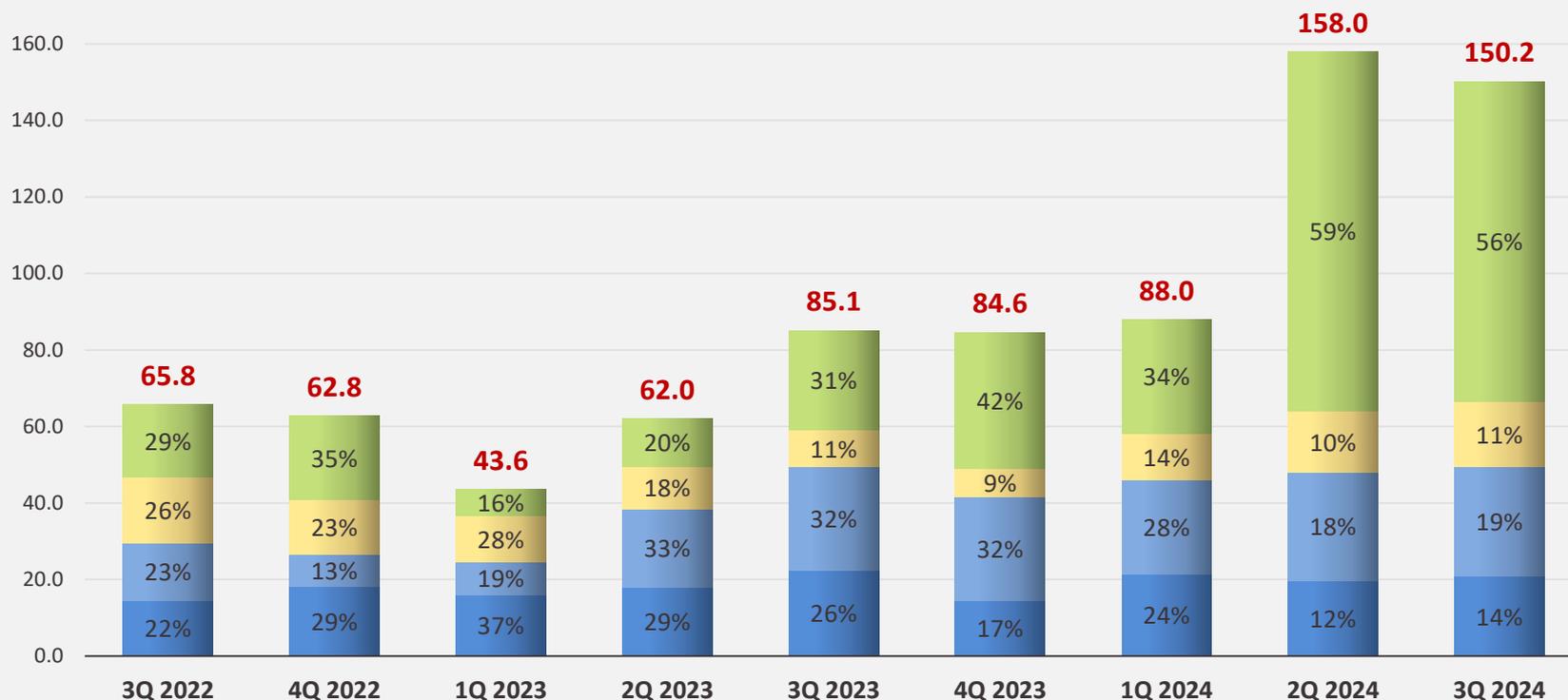


REVENUE BREAKDOWN



MERMAID

(USD million)



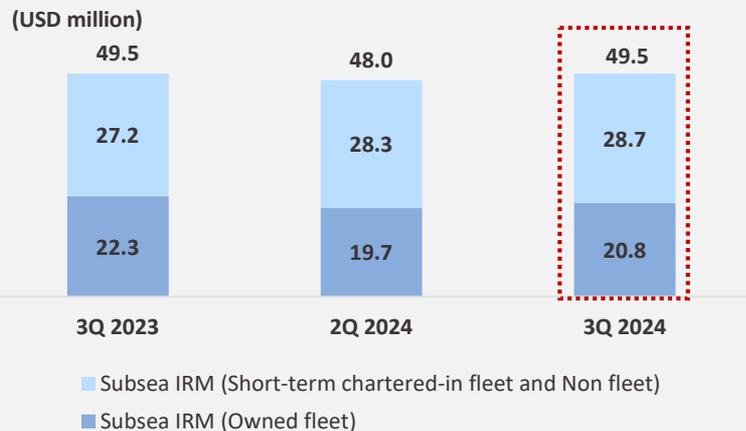
■ Subsea IRM (Owned Fleet)

■ Cable Lay Projects

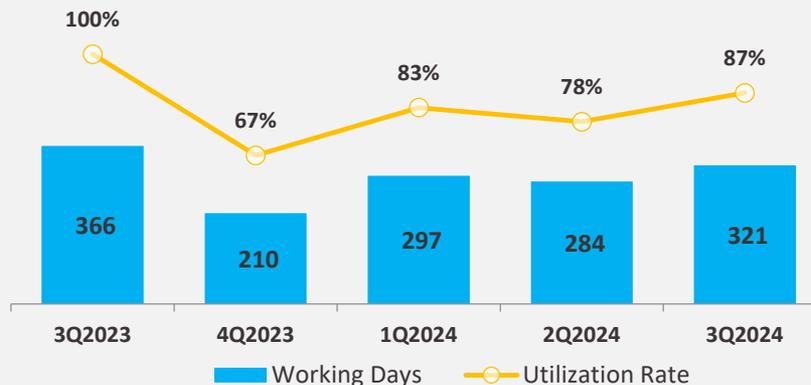
■ Subsea IRM & Diving works (Short-term Chartered-in Fleet & Non Fleet)

■ T&I and Decommissioning Projects

Total Revenue from Subsea IRM



Utilization of Operational Subsea IRM Vessels

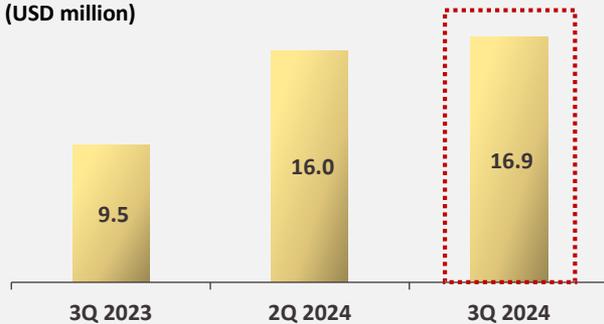


- Revenue from subsea IRM of USD 20.8m in 3Q 2024 was a QoQ increase of +5.6% but a YoY decrease of -7.2%:
 - **“Mermaid Asiana”** worked on a major long-term contract in the Middle East at a high utilization rate.
 - **“Mermaid Endurer”** continued her work for a major customer in the Middle East at a high utilization rate.
 - **“Mermaid Sapphire”** was fully chartered to a related party and worked on an IRM project in South East Asia.
 - **“Mermaid Challenger”** was sold to a new JV in 1Q 2024 and renamed **“TC Mermaid”**. She worked on several projects in South East Asia during 3Q 2024.
- Revenue from other subsea IRM work grew compared to both YoY and QoQ, to USD 28.7 million, mainly due to more inspection projects that used a short-term chartered-in fleet, and more diving work in the Middle East.
- **“Mermaid Commander”** remained cold-stacked during the period and is being considered for either sale or reactivation.

CABLE LAY, AND T&I AND DECOMMISSIONING

Revenue from Cable Lay Projects

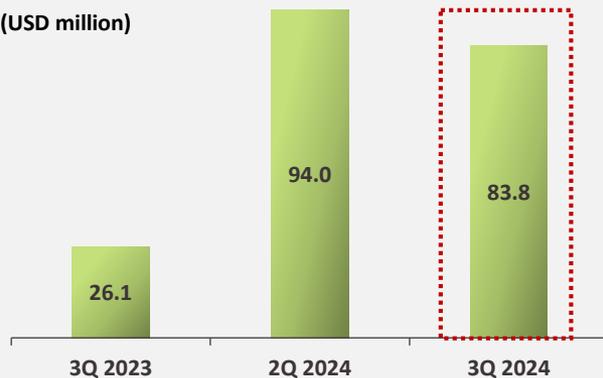
(USD million)



- Revenue from cable lay projects grew by +77.9% YoY and +5.6% QoQ to USD 16.9 million in 3Q 2024, due to a new project in the Middle East that started since 2Q 2024.
- The vessel “Millennium 3” owned by Mermaid’s joint venture M3JV continued her work for a major customer in the Middle East at a high utilization rate. Mermaid recognized USD 0.9 million share of profit from M3JV in 3Q 2024.

Revenue from T&I and Decommissioning Projects

(USD million)



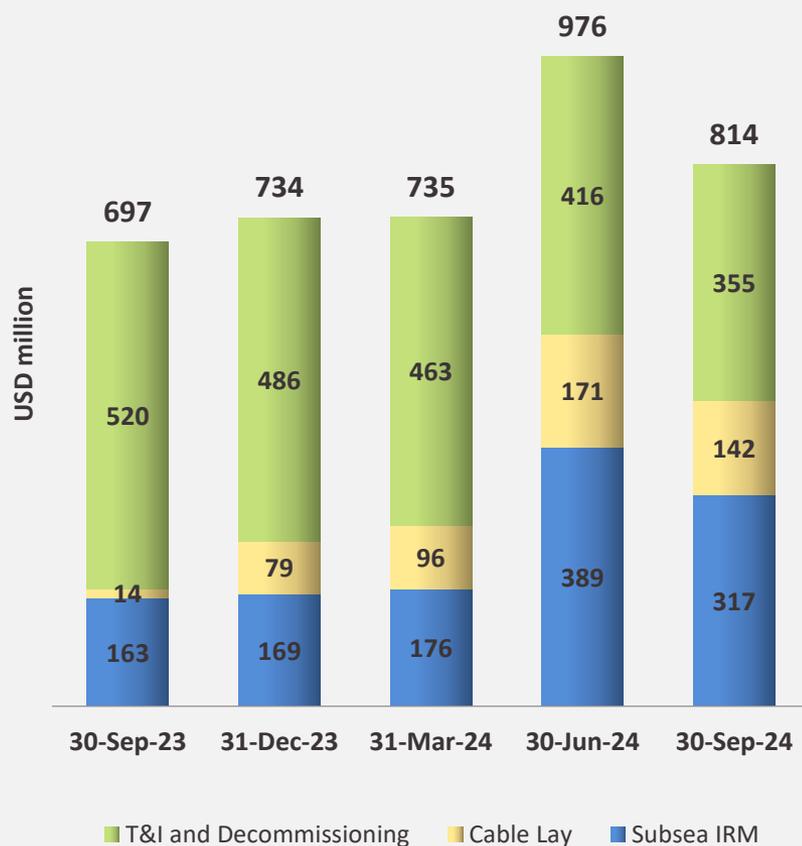
- In 3Q 2024, revenue from T&I and decommissioning projects increased USD 57.7m YoY but decreased USD 10.2m QoQ due to:
 - Revenue from several new projects in the North Sea using short-term chartered-in vessels during 2Q – 3Q 2024.
 - Long-term chartered-in vessel “Van Gogh” continued her main high-value project work in the Gulf of Thailand at a high utilization rate.
 - Owned vessel “Resiliant” that worked for a major customer in the Gulf of Thailand saw a lower utilization rate in 3Q 2024 due to the project ending in July 2024.

ORDER BOOK

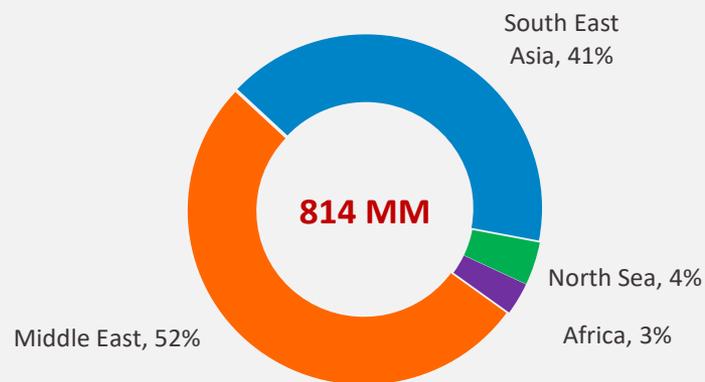


MERMAID

Total Order Book



Order Book by Region



At the end of September 2024, **the order book was at USD 814 million**. Mermaid Group has secured multiple project awards in the South East Asia, Middle East, North Sea and Western Sub-Sahara regions for both the short-term and the long-term through to FY2026. The order book included Cable Laying, Subsea Pipeline Tie-in, Inspection, Repair & Maintenance and T&I and Decommissioning services.

GEOGRAPHICAL PRESENCE



MERMAID

Operational Region

Vessels in KSA
Mermaid Asiana
Mermaid Endurer
Zamil 63
Zamil 64
Zamil 65
Zamil 601
Zamil 602
QMS Paraiso
Bourbon Enterprise
Sea Conquest
ARB7
Mubarak Supporter
Millennium 3



Vessels in APAC
DSV Van Gogh
DLB Resiliant
DLB Huan Qiu 1200
HLV Hilong 106
TC Mermaid + Scena 2803
MP Valour
MP Endurance
Scena Sultan + Scena 2801
Scena Raja + Scena 2802
Limin Swordfish + Poe Giant 19
Swiber Challenger + Scena 2804
Swiber Sapphire + Crest 301
SB Swiber Venturer
CB TMS Ranod
Rawabi Opal

Vessels in Africa
Michael G. Mc Call
Normand Energy
Gammage Tide
Zwerver 1

FINANCIAL REVIEW



3Q 2024 PROFIT & LOSS



MERMAID

(USD million)	3Q 2024	3Q 2023	YoY Amount Change	3Q 2024	2Q 2024	QoQ Amount Change
Income:						
Revenue from rendering of services	150.2	85.2	+65.0	150.2	158.0	-7.8
Interest income and other income	0.7	0.4	+0.3	0.7	0.5	+0.2
Total income	150.9	85.6	+65.3	150.9	158.5	-7.6
Expenses:						
Costs of rendering of services	138.6	71.7	+66.9	138.6	147.5	-8.9
Administrative expenses	6.7	5.4	+1.3	6.7	6.1	+0.6
Net loss on foreign exchange	2.7	0.3	+2.4	2.7	0.3	+2.4
Finance costs	2.2	1.4	+0.8	2.2	2.2	+0.0
Total expenses	150.2	78.8	+71.4	150.2	156.1	-5.9
Profit from operation	0.7	6.7	-6.0	0.7	2.4	-1.7
Share of profit of joint ventures and associate	0.5	0.7	-0.2	0.5	1.0	-0.5
Profit before income tax expense	1.2	7.5	-6.3	1.2	3.4	-2.2
Tax expense	0.1	0.6	-0.5	0.1	0.5	-0.4
Profit for the period	1.1	6.9	-5.8	1.1	2.9	-1.8
Earnings per share (US Cents)	0.1	0.5	-0.4	0.1	0.2	-0.1
EBITDA⁽¹⁾	10.7	14.4	-3.7	10.7	12.4	-1.7
Net Profit Before Net Loss on Foreign Exchange	3.8	7.2	-3.4	3.8	3.2	+0.6

Remark:

⁽¹⁾ Excluding share of profit (loss) of joint ventures and associate

YTD SEP 2024 PROFIT & LOSS



MERMAID

(USD million)	YTD Sep 2024	YTD Sep 2023	YoY Amount Change
Income:			
Revenue from rendering of services	396.2	190.8	+205.4
Interest income and other income	1.6	1.5	+0.1
Total income	397.8	192.3	+205.5
Expenses:			
Costs of rendering of services	365.5	168.3	+197.2
Administrative expenses	18.1	15.8	+2.3
Net loss on foreign exchange	2.2	-	+2.2
Finance costs	6.7	4.1	+2.6
Total expenses	392.5	188.2	+204.3
Profit from operation	5.3	4.1	+1.2
Share of profit of joint ventures and associate	0.3	1.9	-1.6
Profit income before tax expense	5.6	6.0	-0.4
Tax expense	1.2	0.7	+0.5
Profit for the period	4.4	5.3	-0.9
Earnings per share (US Cents)	0.3	0.4	-0.1
EBITDA⁽¹⁾	34.5	26.8	+7.7
Net Profit Before Net Loss on Foreign Exchange	6.6	5.3	+1.3

Remark:

⁽¹⁾ Excluding share of profit (loss) of joint ventures and associate

STATEMENT OF CASH FLOWS



Cash Flows (USD million)		For the 9-months period ended	
		30 Sep 2024	30 Sep 2023
Operating Activities:	Before changes in working capital	39.7	24.6
	Changes in working capital	(21.0)	(15.4)
	Tax paid and provision for employee benefit paid	(5.3)	(1.1)
Net cash from operating activities		13.4	8.1
Investing Activities:	Increase in short-term loan to related party	(1.8)	(1.3)
	Proceeds from short-term loan to related party	1.3	-
	Acquisition of property, plant and equipment and intangible assets	(23.8)	(6.1)
	Proceeds from sale of assets held for sale	0.8	-
	Acquisition of interest in joint venture	(0.8)	-
	Dividend received	1.4	-
	Interest received	0.3	0.1
Net cash used in investing activities		(22.6)	(7.3)
Financing Activities:	Proceeds from borrowings from parent company	30.0	25.0
	Repayment of borrowings from parent company	(3.5)	-
	Proceeds from borrowings from financial institutions	17.3	-
	Repayment of borrowings from financial institutions	(27.1)	(10.7)
	Payment of lease liabilities	(7.7)	(7.7)
	Finance costs paid	(2.3)	(2.8)
Net cash from financing activities		6.7	3.8
Net increase (decrease) in cash and cash equivalents		(2.5)	4.6
Effect of exchange rates		(0.2)	-
Cash and cash equivalent at 1 January		30.3	7.8
Cash and cash equivalent as at 30 September (excluding restricted cash*)		27.6	12.4

*Restricted cash = \$3.4m

STATEMENT OF FINANCIAL POSITION



MERMAID

Balance Sheet (USD million)	30 Sep 2024	31 Dec 2023	Change
Cash & Cash Equivalents	27.6	30.3	-8.9%
Trade and Other Accounts Receivable	193.9	110.6	+75.3%
Other Current Assets	4.2	5.0	-16.0%
Total Current Assets	225.7	145.9	+54.7%
Restricted Deposit at Financial Institutions	3.4	15.0	-77.3%
Investment in Associates & Joint Ventures	25.3	28.6	-11.5%
Property, Plant and Equipment and Intangible Assets	136.8	129.4	+5.7%
Right-of-Use Assets	13.6	20.5	-33.7%
Other Non-Current Assets	17.2	17.2	+0.0%
Total Non- Current Assets	196.3	210.7	-6.8%
Total Assets	422.0	356.6	+18.3%
Trade and Other Accounts Payable	128.6	77.8	+65.3%
Short-term and Current Portion of Long-term Borrowing from Parent Company	67.5	29.0	+132.8%
Short-term and Current Portion of Long-term Borrowings from Financial Institution	10.6	20.5	-48.3%
Other Current Liabilities	11.6	11.3	+2.7%
Total Current Liabilities	218.3	138.6	+57.5%
Long-Term Borrowings from Parent Company	13.0	25.0	-48.0%
Long-Term Borrowings from Financial Institution	7.1	6.8	+4.4%
Other Non-Current Liabilities	8.5	15.6	-45.5%
Total Non-Current Liabilities	28.6	47.4	-39.7%
Total Liabilities	246.9	186.0	+32.7%
Total Equity	175.1	170.6	+2.6%

(USD million)	30 Sep 2024	31 Dec 2023
Interest Bearing Debt		
Asset-backed Financing	17.7	27.3
Unsecured Loan	80.5	54.0
Total Interest-Bearing Debt*	98.2	81.3
Cash and Restricted Deposit at Banks	(31.0)	(45.3)
Total Debt, Net of Cash	67.2	36.0
Shareholders' Equity	175.1	170.6
Net Gearing*	38.4%	21.1%

*Excluding lease liabilities

Financial Ratio	30 Sep 2024	31 Dec 2023
Current Ratio	1.03x	1.05x
Net Debt to Equity Ratio	0.65x	0.60x
Net Debt to Equity Ratio (excluded lease liabilities)	0.56x	0.48x
Liabilities to Equity	1.41x	1.09x
Liabilities to Equity (excluded lease liabilities)	1.32x	0.96x

DEBT MATURITY PROFILE



MERMAID

Interest-Bearing Debt Maturity

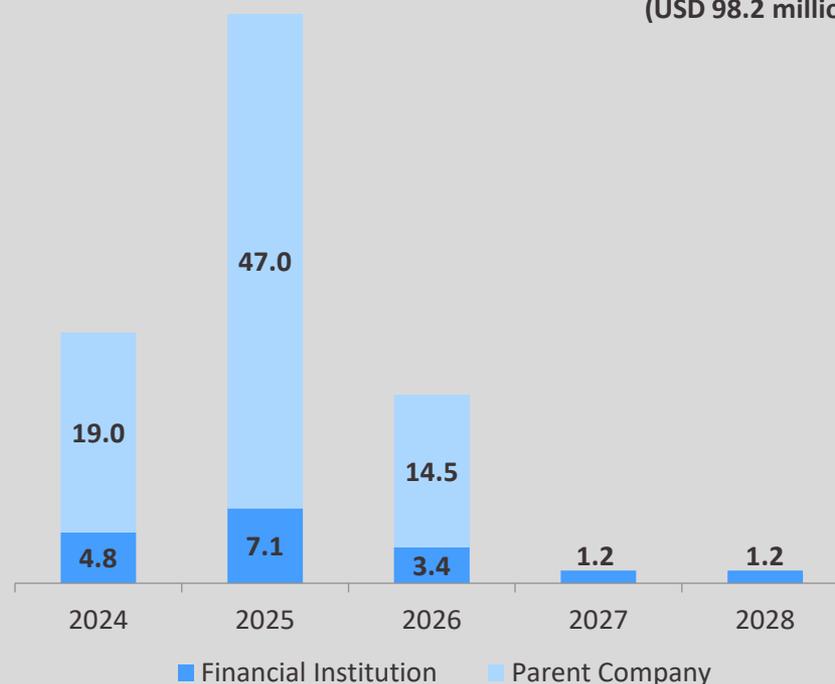
USD 98.2 M

(30 September 2024)

- As at 30 September 2024, there are outstanding loans of **USD 98.2 million** consisting of:
 - **USD 17.7 million** of short-term and long-term loans from financial institution
 - **USD 80.5 million** of short-term and long-term loans from parent company
- Next repayment will be at the end of 4th quarter, 2024.
- Short-term liquidity risk due to repayment inability is low.

Yearly Repayment Strategy

(USD 98.2 million)





MERMAID



BUSINESS OUTLOOK



1

The October Short-Term Energy Outlook (STEO) issued by the EIA revises the crude oil price forecast down to an average of \$78 Per Barrel for 2025. This reduction primarily reflects an anticipated slowdown in global oil demand growth. However, recent tensions in the Middle East have driven prices up due to potential risks of supply disruptions, which could lead to further increases.

2

In September, the Brent crude oil spot price averaged \$74 per barrel, a \$6 decrease from August, mainly due to concerns over global demand despite reduced inventories and OPEC+ delaying production increases until December 2024. However, recent Middle Eastern conflicts have since driven prices up to \$79 per barrel as of October 4, marking an 11% increase within a week. The potential for further escalation in the region is adding considerable uncertainty and volatility to oil markets

3

The upstream segment of the oil and gas market in Africa and the Middle East region is a significant contributor to the global energy sector, hosting some of the world's largest oil and gas reserves. The ME and Africa offshore energy market is projected to grow at a CAGR of 7.67% from 2024 to 2032. This growth is anticipated due to the heavy reliance of many regional economies on hydrocarbon exports. Key markets in the ME and Africa region for offshore oil production include Saudi Arabia, South Africa, Nigeria, and Angola. In contrast, the APAC (Asia-Pacific) region is experiencing a strong push towards renewable energy, with a projected CAGR of 7.22% from 2024 to 2032 in this market. This significant growth is driven by the region's increasing focus on renewable energy sources.

4

As of September 2024, Mermaid's order book hit a record high of \$814 million, showcasing its success in securing a variety of projects across key service areas. These projects include both short- and long-term contracts, ensuring revenue visibility through 2027. Mermaid's new projects span multiple regions, including Southeast Asia, the Middle East, the North Sea, and Western Sub-Sahara. Notably, in Southeast Asia, the company has secured significant decommissioning contracts as offshore fields near the end of their production life.

5

Mermaid has witnessed significant revenue growth during the current year. This growth was driven by rising demand for decommissioning services as numerous offshore oil wells near the end of their productive life, a sector in which Mermaid specializes. Additionally, the company benefited from heightened demand for subsea cables for telecommunications and power transmission, particularly to support the expanding offshore renewable energy sector. These factors underscore Mermaid's strategic position in responding to evolving industry needs and sustainable energy trends.

6

In alignment with our strategic planning, we are intensifying our focus on the realm of P&A activities for the intermediate term. In this context, the pursuit of synergies across the entire Group has received added emphasis due to government-mandated closures in the North Sea Segment. Similarly, attention is now shifting towards the abandonment of the Chevron field in Thailand and several marginal fields in Africa in the near future. Mermaid will continue to invest in people, plant and equipment in order to position ourselves to be part of these endeavors.

7

The establishment of a dedicated business unit for the North Sea has generated considerable enthusiasm within the organization. Leveraging the expertise of seasoned professionals in the region, the Group is poised to expand upon their proven track record. Initial successes include the awarding of several medium-sized projects, with the team rapidly gaining momentum. Recognizing the abundant opportunities in decommissioning and diving, we are strategically positioned to capitalize in the North Sea sector. Additionally, Mermaid is strategically positioned to venture into the renewables market in the near future, further enhancing our presence in the region.

8

Africa continues to be a promising market for growth, as demonstrated by Mermaid's recent accomplishments in securing numerous awards across the region. Building on our successes in Angola, Mermaid has achieved highly profitable saturation interventions along Africa's Eastern Seaboard. We are now strategically pursuing additional opportunities throughout the continent, supported by positive client feedback, which strengthens our confidence in securing further awards in the near future. Our ongoing plans for growth include a focus on expanding offshore services across Africa. Additionally, we are actively exploring new prospects in other regions, such as Equatorial Guinea, Mozambique, and Ghana, with targeted initiatives to unlock these high-potential markets.

9

In the meantime, **Asiana, Endurer, & Millenium 3** continue to operate in the Middle East, whilst the **Van Gogh & Resiliant** focus on the APAC region. The **Sapphire** is deployed at home (Thailand). We anticipate very high utilization throughout 2024-2026. Vessel mobility remains a crucial factor in terms of achieving organic growth.

10

Mermaid is making significant strides in reclaiming our market share in Thailand and is steadfast in bolstering our presence in the decommissioning and IRM markets across Thailand and its neighbouring water. While returns in this region are presently below expectations, the momentum is nevertheless on a positive upward trajectory.



Q & A





MERMAID

A Company Moving Forward

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