

ASX Announcement

2 December 2022

The Manager
ASX Market Announcements
ASX Limited

US\$15M BATAM SHIPYARD SALE COMPLETED

Further to the announcement on 2 May 2022, MMA Offshore Limited is pleased to announce that it has completed the sale of its shipyard facility in Batam, Indonesia.

The final instalment of the US\$15 million purchase price has been received with the total proceeds from the sale to be used to make a voluntary prepayment of amortisation on the Company's debt facility.

This debt reduction is expected to result in interest savings of ~A\$1.3 million per annum and defers the next scheduled amortisation payment to June 2024 (A\$5.5 million) with a final amortisation payment of A\$7.5 million to be completed prior to the facility maturity in January 2025.

Following the completion of the sale, MMA's net debt position (including ~A\$13 million of lease liabilities) has reduced to ~A\$30 million (on an unaudited basis) which equates to a net debt leverage ratio of less than 1.0x, based on the Company's FY22 EBITDA.

As a result of the transaction, the Company's net tangible assets ("NTA") has increased by ~ 5 cents per share from the 30 June 2022 NTA position of 95 cents (on a pro-forma basis).

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

"We are pleased to conclude the sale of the Batam shipyard facility which completes MMA's non-core asset divestment program. Our strengthened balance sheet provides additional flexibility with regard to capital management and positions MMA well to take advantage of growth opportunities and capitalise on the positive momentum we are currently seeing in our key markets."

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

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