






3Q 2022 RESULTS

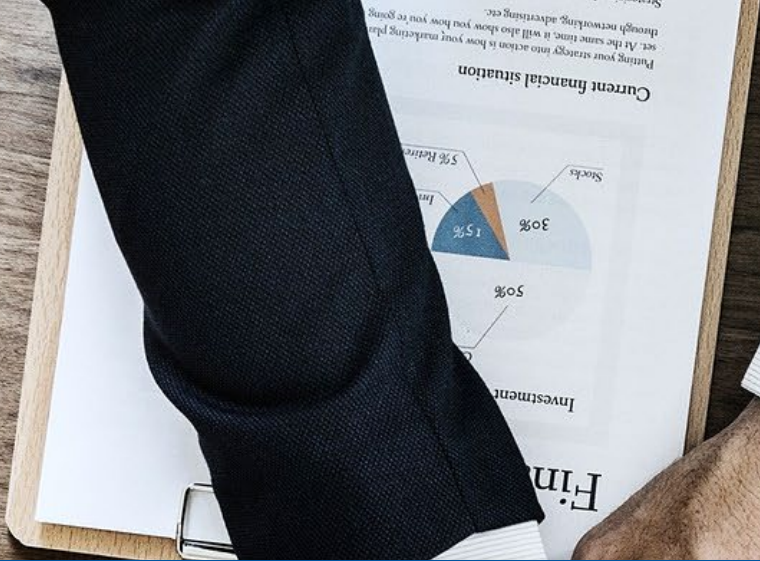
November 10th, 2022

www.mermaid-group.com

AGENDA

-  Business Report
-  Financial Review
-  Business Outlook

BUSINESS REPORT



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#Citydailynews

of the n Union

Are you innovative or are you the experienced typical or do you offer a high-cost, high-value product, or slow-cost, high-value products? It's impossible to be both what your customers need you to be. Your brand is the main foundation of your success. All the promotional materials should be communicated with your logo. Having a good brand strategy allows you to have a large advantage in your market competition. Increase in your brand tells your customers what they can have or expect from the products and services you offer. Branding consistency is the



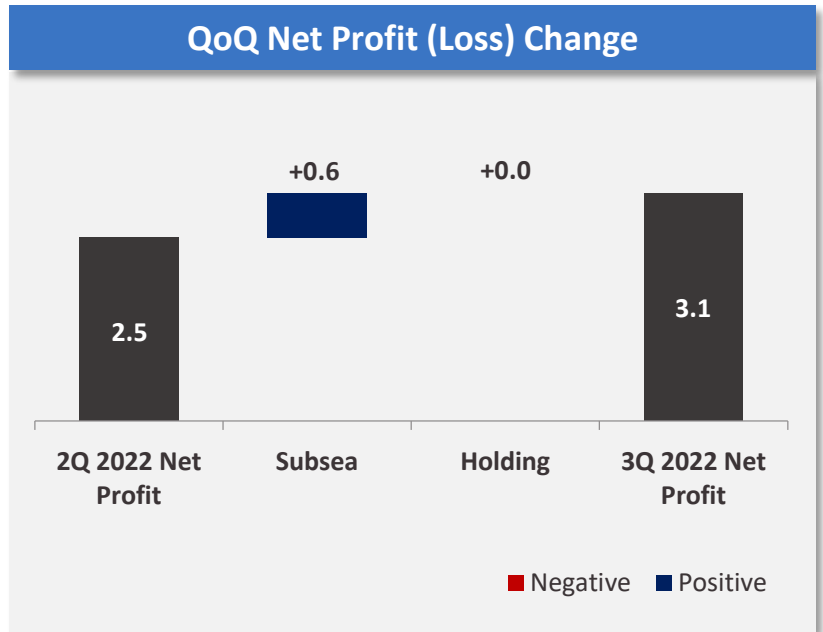
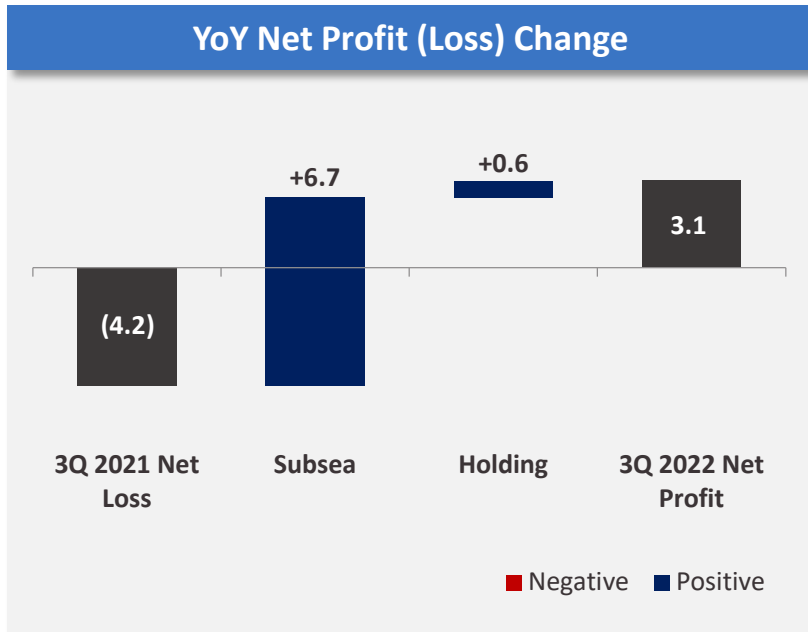
3Q 2022 HIGHLIGHTS



MERMAID

- Revenue significantly increased by 152.0% YoY and 19.8% QoQ, an considerable performance as a result of company's effective strategies to maintain our fundamental IRM business with the major clients and the recognizing of developing performance in the field of cable lay business while improving in the field of T&I and Decommissioning sector.
- EBITDA was USD 11.0 m on account of higher contribution margin that derived from higher revenue and productive cost management and control.
- Net cash flow from operations was USD 24.9 m.
- At the end of September 2022, the order book stood at USD 329 m. The number included multiple project awards in both short-term and long-term throughout FY2025 for the Inspection, Repair and Maintenance projects and Cable Laying projects mainly in the Middle East and other regions that the company has expanded to. Also it included the works awarded of Transportation, Installation and Decommissioning projects in South East Asia.
- Balance sheet position represents at 1.03x Current Ratio and 0.26x D/E Ratio.

MOVEMENT IN KEY BUSINESS SEGMENT

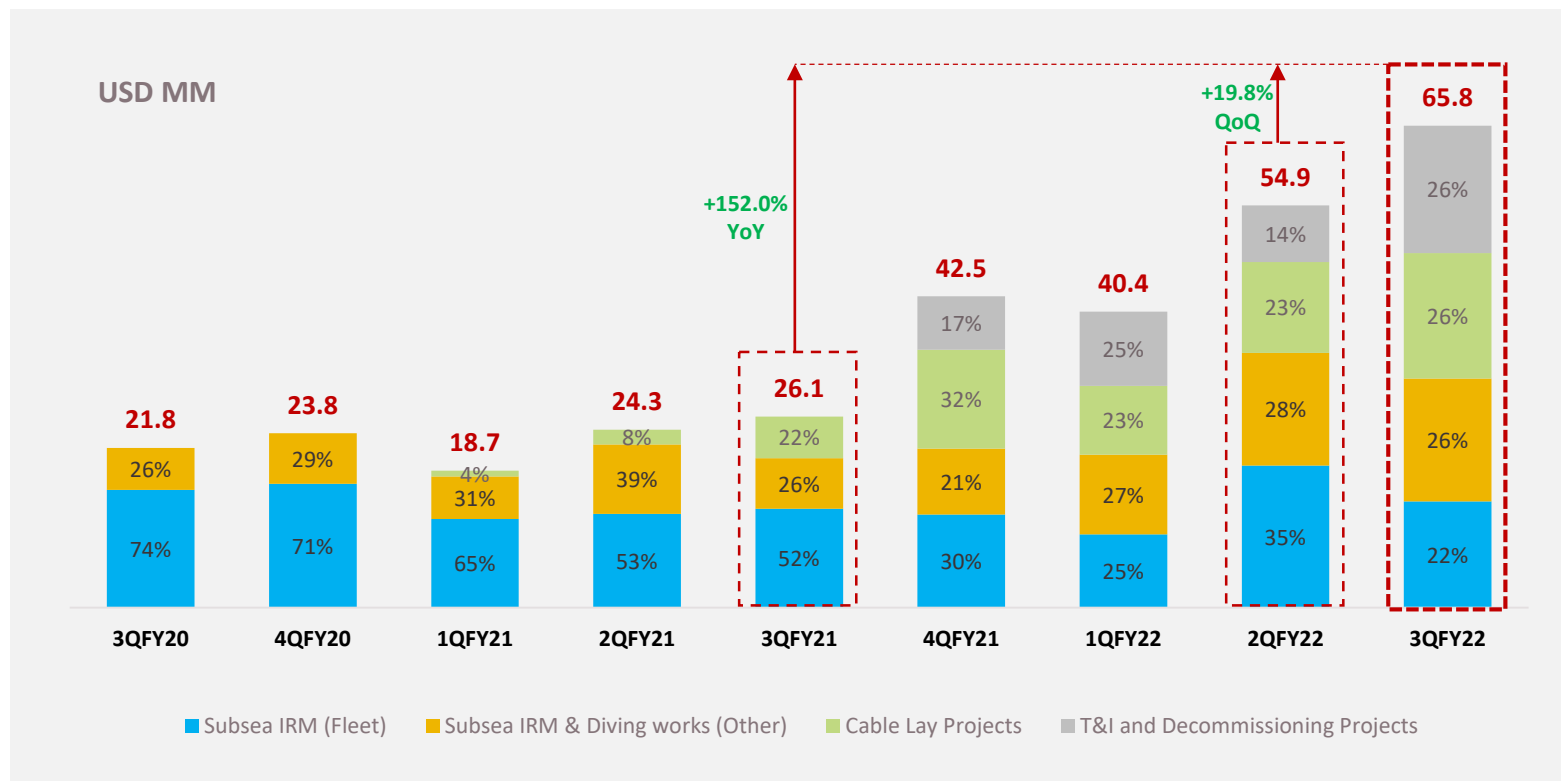


- Positive impacts on both YoY and QoQ came from company improvement in performance as a result of effective project management
- Company's owned vessels were highly utilized
- Holding sector also expressed the positivity in effective management

REVENUE BREAKDOWN

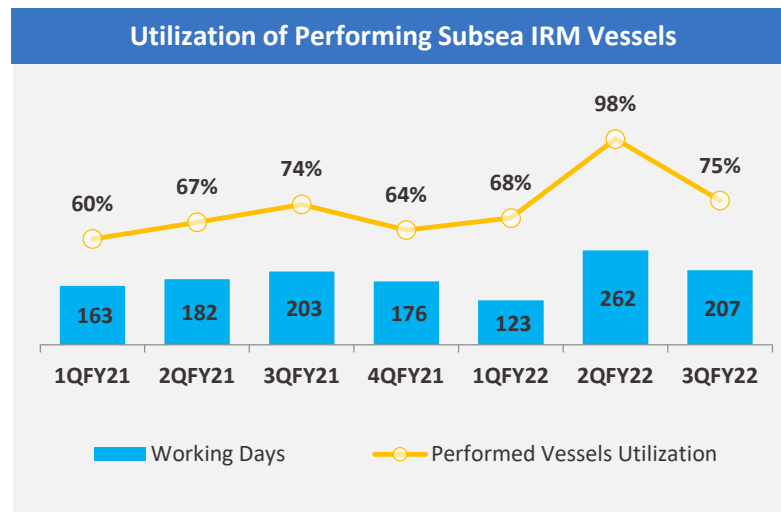
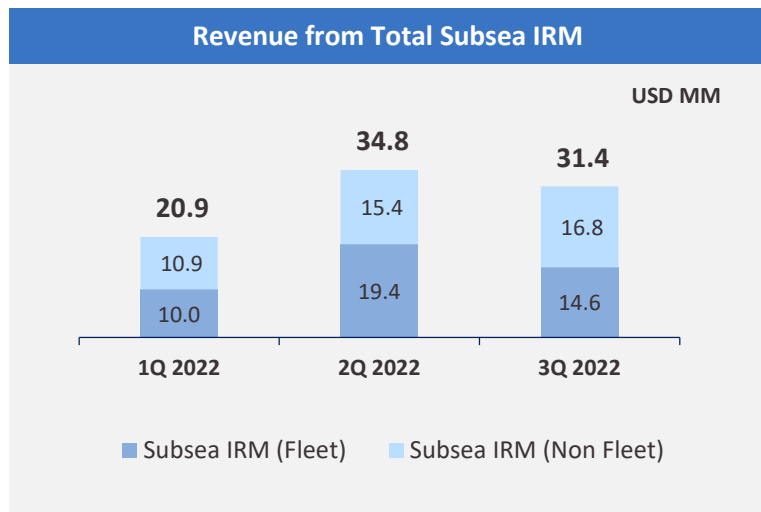


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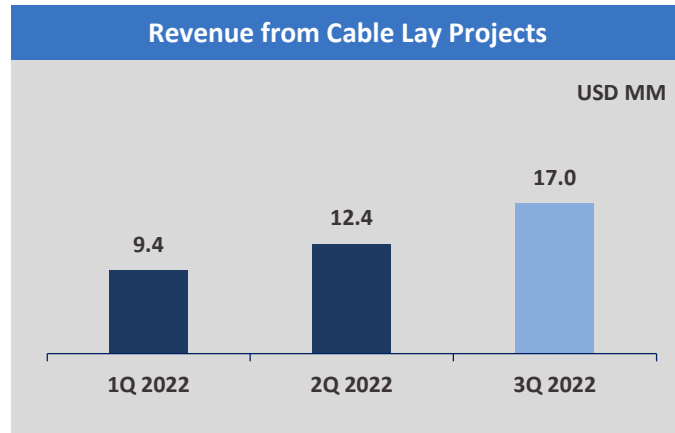
- Total revenue increased both YoY from USD 26.1m and QoQ from USD 54.9m to USD 65.8m as a main result of awarded cable lay projects and T&I and decommissioning projects whereas the amount of subsea IRM sector slightly decreased due to completed works.
- Portions in business types demonstrated our improvement in overall performance along with risk mitigation effective strategies.

SUBSEA IRM SECTOR

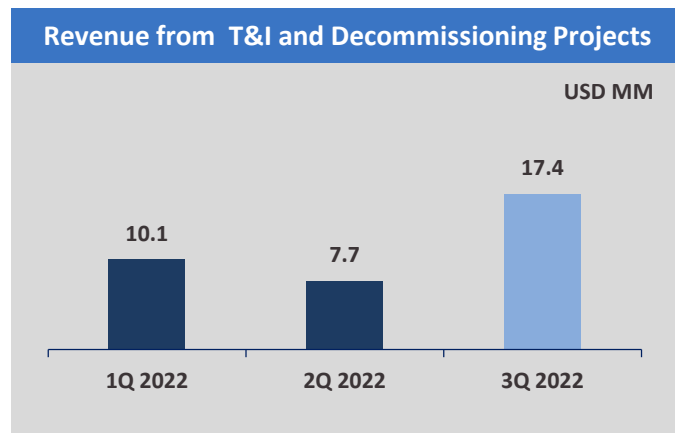


- Total revenue from IRM business decreased by USD 3.4m QoQ because of the mobilization period of “Mermaid Sapphire” after finished a project in South East Asia at end of Q2 to start a new project in early of Aug. “Mermaid Endurer” also finished her project in mid of July with a small gap to start a new project in mid of Aug. Meanwhile, “Mermaid Asiana” continued her works for the main project in the Middle East at high utilization rate.
- The revenue from non-fleet subsea IRM slightly increased QoQ by USD 1.3m due to survey projects.
- Mermaid Commander and Mermaid Challenger remain cold-stacked and intended for sale.

CABLE LAY SECTOR AND T&I AND DECOMMISSIONING SECTOR



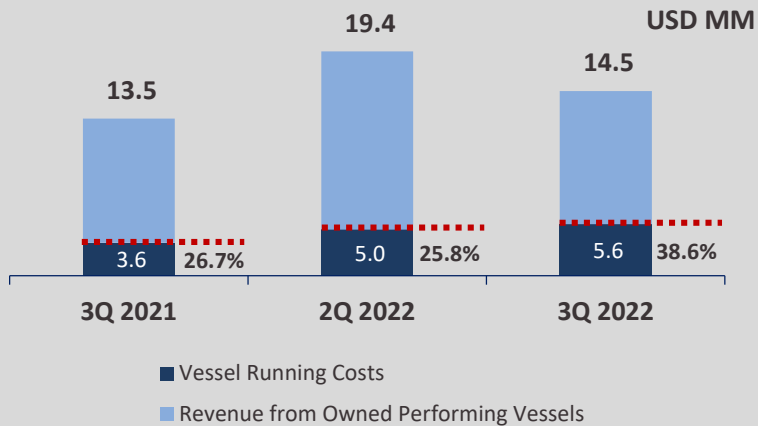
- Revenue from cable lay sector increased QoQ to USD 17.0m as a result of higher day rate for a project in the Middle East that started in mid of Q2 2022.
- The vessel “Millennium 3” has been long-term chartered-in from M3JV and highly utilized for cable laying projects. Mermaid recognized USD 0.6m share profit from M3JV in Q3 2022.



- Revenue from T&I and decommissioning business increased QoQ by USD 9.7m to USD 17.4m as a result of 3 projects working in Q3.
- The vessel “Van Gogh” has been long-term chartered-in for several T&I projects in South East Asia region.
- Our own vessel “Resiliant” currently plays a big part in the process of bidding for new projects and expected to be performed during Q4 2022 all through 2023

COSTS & EXPENSES

Percentage of Vessel Running Costs (Owned Performing Vessels)

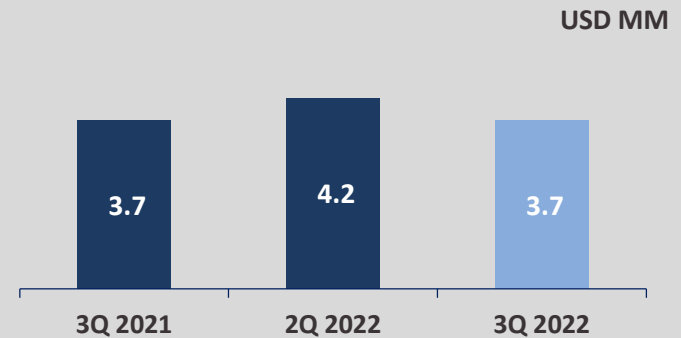


Owned Performing Vessels

VRC increase YoY (USD 2.0m) and QoQ (USD 0.6m) mainly due to:

- scheduled maintenance of both Mermaid Asiana and Mermaid Endurer that occurred during 1Q 2022

Selling and Administrative Expenses



Selling, General and Administrative Expenses

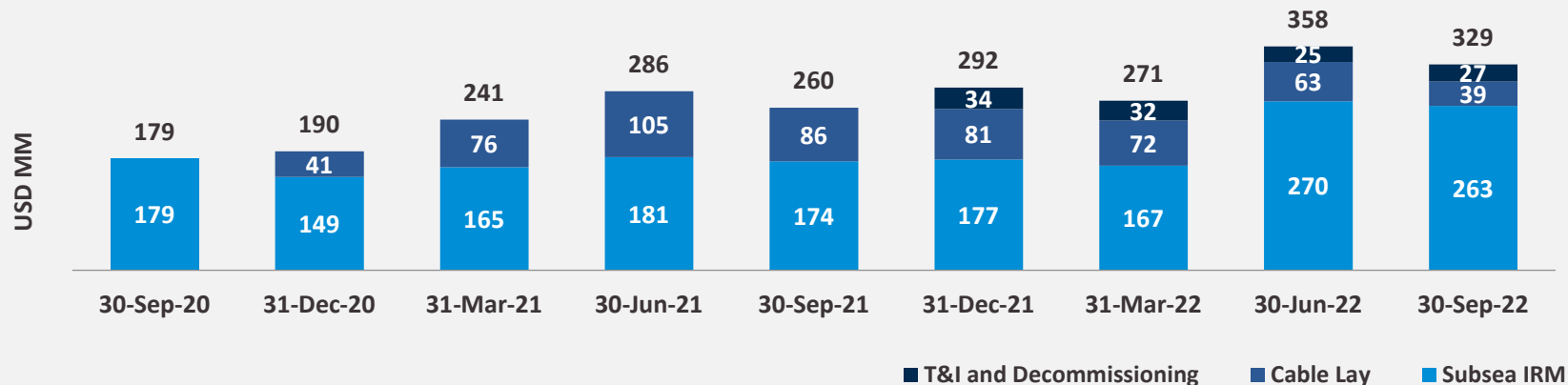
- SG&A expenses decreased QoQ (USD 0.5m) as a result of reversal of impairment loss whilst there was no change when comparing YoY.

ORDER BOOK

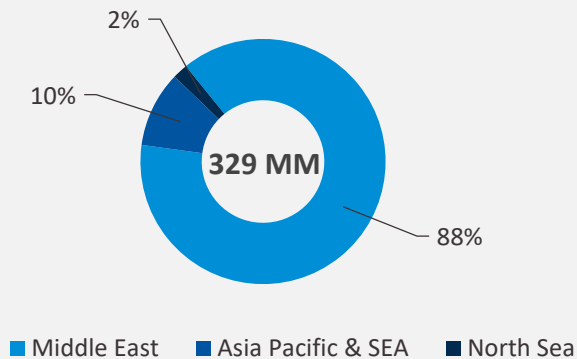


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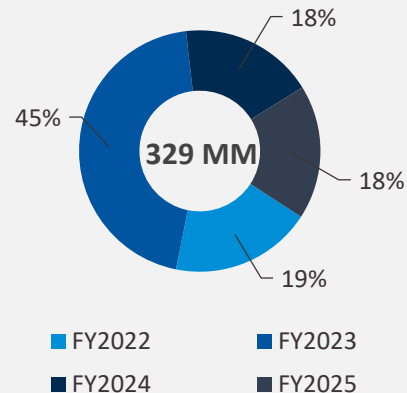
Total Order Book



Order Book by Region



Order Book by Year



FINANCIAL REVIEW



3Q 2022 PROFIT & LOSS



(USD MM)	3Q 2022	3Q 2021	YoY Amount Change	3Q 2022	2Q 2022	QoQ Amount Change
Revenue						
Revenue from rendering of services	65.8	26.1	+39.7	65.8	54.9	+10.9
Net gain on foreign exchange	-	-	-	-	0.2	-0.2
Other income	0.4	0.2	+0.2	0.4	0.3	+0.1
Total revenue	66.2	26.3	+39.9	66.2	55.4	+10.8
Expenses						
Costs of rendering of services	57.6	26.2	+31.4	57.6	49.0	+8.6
Administrative expenses	3.7	3.7	0.0	3.7	4.2	-0.5
Finance costs	1.2	0.4	+0.8	1.2	0.5	+0.7
Total expenses	62.5	30.3	+32.2	62.5	53.7	+8.8
Profit (loss) from operation	3.7	(4.0)	+7.7	3.7	1.7	+2.0
Share of profit (loss) of joint ventures and associate	0.5	(0.2)	+0.7	0.5	0.8	-0.3
Profit (loss) before income tax expense	4.2	(4.2)	+8.4	4.2	2.5	-1.7
Tax expense	1.1	-	+1.1	1.1	0.0	+1.1
Profit (loss) for the period	3.1	(4.2)	+7.3	3.1	2.5	+0.6
Earnings (losses) per share (US Cents)	0.2	(0.3)	+0.5	0.2	0.2	0.0
Depreciation expenses and amortization expenses	6.1	3.7	+2.4	6.1	3.2	+2.9
EBITDA⁽¹⁾	11.0	0.1	+10.9	11.0	5.4	+5.6

Remark:

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

YTD 2022 PROFIT & LOSS



(USD MM)	Jan - Sep 2022	Jan - Sep 2021	YoY Amount Change
Revenue			
Revenue from rendering of services	161.1	69.1	+92.0
Net gain on foreign exchange	0.1	-	+0.1
Other income	0.9	1.2	-0.3
Total revenue	162.1	70.3	+91.8
Expenses			
Costs of rendering of services	151.9	68.3	+83.6
Administrative expenses	11.9	10.7	+1.2
Net loss on foreign exchange	-	0.3	-0.3
Finance costs	2.1	1.2	+0.9
Total expenses	165.9	80.5	+85.4
Profit (loss) from operation	(3.8)	(10.2)	+6.4
Share of profit (loss) of joint ventures and associate	2.5	(0.6)	+3.1
Profit (loss) before income tax expense	(1.3)	(10.8)	+9.5
Tax expense	1.1	0.6	+0.5
Profit (loss) for the period	(2.4)	(11.4)	+9.0
Earnings (losses) per share (US Cents)	(0.2)	(0.8)	+0.6
Depreciation expenses and amortization expenses	12.7	11.2	+1.5
EBITDA⁽¹⁾	11.0	2.2	+8.8

Remark:

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

STATEMENT OF CASH FLOWS



MERMAID

Cash Flows (USD MM)	For the nine-months period ended	
	2022	2021
Cash Flow From Operating Activities:		
Before changes in working capital	5.4	(3.6)
Changes in working capital	21.4	9.9
Others	(1.9)	(0.6)
Net cash from operating activities	24.9	5.7
Cash Flow From Investing Activities:		
Proceed from sale of current investments	2.9	16.2
Acquisition of current investments	-	(8.9)
Increase in long-term investment	-	(3.0)
Increase in advance payment for purchase of vessel	-	(8.0)
Proceeds from long-term loan to related party	1.1	-
Increase in long-term loan to other party	-	(1.1)
Proceeds from sale of property, plant and equipment and intangible assets	2.1	1.2
Acquisition of property, plant and equipment	(10.9)	(7.8)
Acquisition of interest in joint ventures	-	(2.5)
Net cash used in investing activities	(4.8)	(13.9)
Cash Flow From Financing Activities:		
Repayment of borrowings	(10.7)	(11.7)
Proceeds from short-term loans from financial institution	-	4.5
Payment of lease liabilities	(2.9)	(0.2)
Finance costs paid	(1.5)	(1.2)
Net cash used in financing activities	(15.1)	(8.6)
Net decrease in cash and cash equivalents	5.0	(16.8)
Effect of exchange rates	(0.6)	(0.2)
Beginning balance as at 1 January	8.0	37.8
Cash Balance as at 30 September (excluding restricted cash*)	12.4	20.8

*Restricted cash = \$8.2m

STATEMENT OF FINANCIAL POSITION



MERMAID

Balance Sheet (USD MM)	30 Sep 2022	31 Dec 2021	Change
Cash & Cash Equivalents and Current Investment	12.4	10.9	+13.8%
Trade and Other Accounts Receivable	92.8	75.7	+22.6%
Other Current Assets	0.8	0.3	+166.7%
Total Current Assets	106.0	86.9	+22.0%
Restricted Deposit at Banks	8.2	8.2	0.0%
Investment in Associates & Joint Venture	29.4	26.9	+9.3%
Property, Plant and Equipment	133.3	132.8	+0.4%
Other Non-Current Assets	31.7	3.8	+734.2%
Total Non- Current Assets	202.6	171.7	+18.0%
Total Assets	308.6	258.6	+19.3%
Trade and Other Accounts Payable	74.1	42.8	+73.1%
Current Portion of Long-term Borrowings	14.2	14.2	0.0%
Current Portion of Long-term Loan from Parent Company	5.0	3.0	+66.7%
Other Current Liabilities	9.6	1.0	+860.0%
Total Current Liabilities	102.9	61.0	+68.7%
Long-Term Borrowings	21.8	32.5	-32.9%
Long-Term Loan from Parent Company	-	2.0	-100.0%
Other Non-Current Liabilities	25.7	2.5	+928.0%
Total Non-Current Liabilities	47.5	37.0	+28.4%
Total Liabilities	150.4	98.0	+53.5%
Total Equity	158.2	160.6	-1.5%

(USD MM)	30 Sep 2022	31 Dec 2021
Interest Bearing Debt		
Asset-backed Financing	36.0	46.7
Unsecured Loan	5.0	5.0
Total Interest Bearing Debt*	41.0	51.7
Cash, Deposits and Bank Balances	(20.6)	(19.1)
Total Debt, Net of Cash	20.4	32.6
Shareholders' Equity	158.2	160.6
Net Gearing*	12.9%	20.3%

*Excluding lease liabilities

Financial Ratio	30 Sep 2022	31 Dec 2021
Current Ratio	1.03x	1.42x
Net Debt to Equity Ratio	0.46x	0.32x
Net Debt to Equity Ratio (excluded lease liabilities)	0.26x	0.32x
Liabilities to Equity	0.95x	0.61x
Liabilities to Equity (excluded lease liabilities)	0.75x	0.61x

DEBT MATURITY PROFILE



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Interest-Bearing Debt Maturity

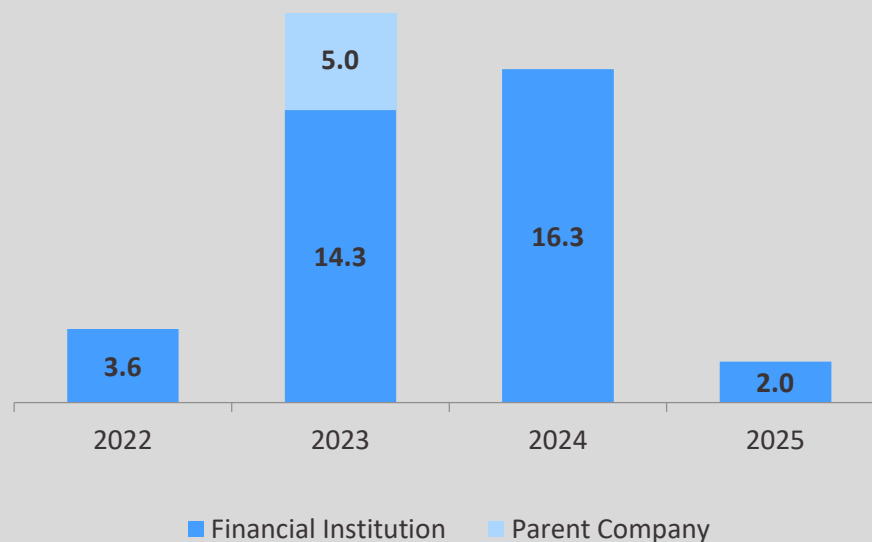
USD 41.2 M

(30 September 2022)

- As at 30th September 2022, there is **USD 41.2 million** of long-term loan (consisting of USD 36.2 million from financial institution and USD 5.0 million from parent company).
- Next repayment will be at the end of 4th quarter, 2022.
- Short-term liquidity risk is low.

Yearly Repayment Scheme

(USD 41.2 million)





MERMAID



BUSINESS OUTLOOK

BUSINESS OUTLOOK

1

The October Short Term Energy Outlook (STEO) issued by the EIA notes the crude oil spot price forecast averages \$93 per barrel (b) in the fourth quarter of 2022 (4Q22) and \$95/b in 2023. Potential petroleum supply disruptions and slower-than-expected crude oil production growth could lead to higher oil prices, while the possibility of slower-than-forecast economic growth may contribute to lower prices.

2

Oil price weakness to persist as inventories build. But with expected cuts from OPEC and a modest decline in Russian exports, prices should bottom in 1Q/2Q 2023 before recovering in 2H 2023. Recent price declines reflected macro concerns more than current fundamentals as stock levels are still like where they were over the last several months. But supply-demand balances are pointing toward stock builds November thru April with less demand growth despite lower OPEC supply and tapering of SPR releases. Expect increases in commercial stocks across multiple regions for both crude and products.

3

Inflationary pressures have prompted many Central Banks to take a more hawkish stance on raising policy rates with some of the major Central Banks (Fed, BOE) having moved swiftly to address the situation and increased rates, with more rate increases seemingly the order of the day. We will monitor inflationary pressure and responses closely in order to position ourselves appropriately.

BUSINESS OUTLOOK



MERMAID

4

The impact of coronavirus has waned and become supplanted by Russia's invasion of Ukraine with concomitant declines to consumer and business confidence. China's lockdowns of major cities as part of their "zero tolerance" policy to combat the coronavirus has weakened oil demand noticeably, and impacted consumer activities. The likelihood of sharply higher interest rates, led by the US Federal Reserve, and the uncertain pathway for the Chinese economy are the two further key variables impacting the outlook.

5

The market uptick has seen our owned, jointly-owned and chartered-in fleet securing the targeted utilization figures. Two of the recently chartered -in vessels, namely the Van Gogh and Paladin are being actively utilized. The intermediate outlook remains positive, as construction engagements actively mobilize after the relative inaction of the past two years. Saudi's investment plan remains largely unshaken, they plan to invest circa USD 500 billion on the Eastern Seaboard in various projects up to 2027. Qatar has plans to invest USD 27 Billion in Oil & Gas Sector. Furthermore, in the West African market Majors have allocated budgets of additional USD 127 Billion towards Subsea Sector. Considerable politically related violence has perpetuated a transient upheaval in Northern Mozambique and it is unclear at this stage when that region will return to business as usual. In the meantime Oil prices remain steady on the back of increasing demand.

6

In line with our planning, ambitions around P&A for the intermediate term are heightened. In this regard Group-wide synergies have been afforded extra impetus as the North Sea Segment has now had Governmental intervention to force closures. Likewise, the Chevron field in Thailand, and multiple marginal fields in Africa are now also coming in to focus for abandonment in the short term. Mermaid will continue to invest in people, plant and equipment in order to position ourselves to be part of these endeavors.

BUSINESS OUTLOOK

7

The decision around creating a business unit for the North Sea continues to elicit a solid response. The Group has engaged well known and experienced staff in that region, and looks to build on their past success. Some small projects are already awarded and the momentum is moving with the team. This North Sea market has huge decommissioning and diving requirements, upon which we are capitalizing. Moreover, Mermaid is well placed in this geography to enter the renewables market in the intermediate term.

8

Africa continues to yield rewarding opportunities, and Mermaid now have multiple awards in that space. In addition to awards in Angola, Mermaid has also won/executed some saturation interventions off the African Eastern Seaboard.

9

In the meantime, the **Asiana** & the **Endurer** continue to operate in the Middle East, whilst the **Van Gogh** focuses in APAC. The **Sapphire** is deployed at home (Thailand). We expect very high utilization throughout 2022-2024. Vessel mobility remains key in terms of achieving organic growth.

10

Mermaid is successfully reinstating our market share in Thailand, and continues to build around our aspirations to be involved in the decommissioning and IRM markets both in Thailand and the adjoining waters. Our shareholders are very pleased with the recent progress within the APAC region, and we will continue to focus positively in this space.



MERMAID

A Company Moving Forward

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