


MERMAID MARITIME PUBLIC COMPANY LIMITED

(Registered in the Kingdom of Thailand)

(Company Registration No. 010755000017)

Financial Statements and Dividend Announcement for the Period Ended 31 March 2024

PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2, & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial three-month period ended 31 March.

	Consolidated financial statements		
	Three-month period ended 31 March		Change %
	2024	2023	
	<i>(in thousand US Dollar)</i>		
Revenues			
Revenues from rendering of services	88,026	43,612	101.8%
Interest income	95	35	171.4%
Net gain on foreign exchange	760	-	100.0%
Other income	359	658	-45.4%
Total revenues	89,240	44,305	101.4%
Expenses			
Costs of rendering of services	79,418	43,345	83.2%
Administrative expenses	5,303	5,211	1.8%
Net loss on foreign exchange	-	78	-100.0%
Finance costs	2,288	1,289	77.5%
Total expenses	87,009	49,923	74.3%
Share of profit (loss) of joint venture and associate accounted for using equity method, net of tax	(1,182)	453	-360.9%
Profit (loss) before income tax expense	1,049	(5,165)	-120.3%
Tax (expense) benefit	(594)	269	-320.8%
Profit (loss) for the period	455	(4,896)	-109.3%
Other comprehensive income (expense):			
Total comprehensive income (expense) for the period	455	(4,896)	-109.3%
Profit (loss) attributable to:			
Owners of parent	331	(4,866)	-106.8%
Non-controlling interests	124	(30)	-513.3%
Profit (loss) for the period	455	(4,896)	-109.3%
Total comprehensive income (expense) attributable to:			
Owners of parent	331	(4,866)	-106.8%
Non-controlling interests	124	(30)	-513.3%
Total comprehensive income (expense) for the period	455	(4,896)	-109.3%
	<i>(in US Dollar)</i>		
Basic earnings (losses) per share	0.0002	(0.0034)	-106.8%
Notes to the income statements			
Depreciation and amortization	6,871	6,108	
(Reversal of) impairment losses determine in accordance with TFRS9	(35)	10	
Gain on disposal of property, plant and equipment and intangible assets	(3)	-	



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1 (b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	31 March 2024 (Unaudited) <i>(in thousand US Dollar)</i>	31 December 2023	31 March 2024 (Unaudited) <i>(in thousand US Dollar)</i>	31 December 2023
Assets				
<i>Current assets</i>				
Cash and cash equivalents	23,600	30,317	1,341	2,670
Trade and other accounts receivable	139,987	110,597	873	846
Short-term loan to related party	2,500	3,250	6,700	7,450
Supplies and spare parts	684	944	-	-
Non-current assets classified as held for sale	-	752	-	-
Total current assets	166,771	145,860	8,914	10,966
<i>Non-current assets</i>				
Restricted deposit at financial institution	3,445	15,020	-	-
Investments in associates	22,361	22,362	22,507	22,507
Investments in joint venture	5,828	6,259	213	213
Investments in subsidiaries	-	-	55,370	55,370
Long-term loan to related party	-	-	43,521	46,510
Other non-current receivable to related party	16,000	16,000	60,560	45,332
Investment properties	351	362	1,137	1,177
Property, plant and equipment	132,614	129,406	137	133
Right-of-use assets	18,431	20,536	464	449
Goodwill	-	-	-	-
Intangible assets	31	35	18	19
Deferred tax assets	572	655	64	71
Other non-current assets	84	84	48	48
Total non-current assets	199,717	210,719	184,039	171,829
Total assets	366,488	356,579	192,953	182,795


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	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	31 March 2024 (Unaudited)	31 December 2023	31 March 2024 (Unaudited)	31 December 2023
	<i>(in thousand US Dollar)</i>		<i>(in thousand US Dollar)</i>	
Liabilities and equity				
<i>Current liabilities</i>				
Trade and other accounts payable	84,413	77,797	2,562	1,620
Short-term borrowing from parent company	11,500	11,500	11,500	11,500
Short-term borrowing from financial institution	-	3,064	-	-
Current portion of long-term borrowing from parent company	46,500	17,500	46,500	17,500
Current portion of long-term borrowings from financial institution	8,182	17,429	-	-
Current portion of lease liabilities	9,281	9,211	31	33
Current income tax payable	1,359	2,095	-	-
Total current liabilities	161,235	138,596	60,593	30,653
<i>Non-current liabilities</i>				
Long-term borrowing from parent company	11,000	25,000	11,000	25,000
Long-term borrowings from financial institution	10,030	6,767	-	-
Lease liabilities	9,765	12,353	389	406
Deferred tax liabilities	1	1	-	-
Provisions for employee benefits	3,399	3,259	409	403
Total non-current liabilities	34,195	47,380	11,798	25,809
Total liabilities	195,430	185,976	72,391	56,462
<i>Equity</i>				
Share capital				
Authorized share capital	-	-	-	-
Issued and paid-up share capital	47,322	47,322	47,322	47,322
Share premium on ordinary shares	343,536	343,536	343,536	343,536
Deficit	(216,849)	(217,180)	(270,324)	(264,553)
Other components of equity	(3,392)	(3,392)	28	28
Equity attributable to owners of the parent	170,617	170,286	120,562	126,333
Non-controlling interests	441	317	-	-
Total equity	171,058	170,603	120,562	126,333
Total liabilities and equity	366,488	356,579	192,953	182,795

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1 (b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year: -

- (a) the amount repayable in one year or less, or on demand;**
- (b) the amount repayable after one year;**
- (c) whether the amounts are secured or unsecured; and**
- (d) details of any collateral.**

	As at 31 March 2024		
	Secured	Unsecured	Total
	USD'000	USD'000	USD'000
Amount repayable in one year or less, or on demand (*)	8,182	67,281	75,463
Amount repayable after one year	10,030	20,765	30,795

	As at 31 December 2023		
	Secured	Unsecured	Total
	USD'000	USD'000	USD'000
Amount repayable in one year or less, or on demand (*)	20,493	38,211	58,704
Amount repayable after one year	6,767	37,353	44,120

(*) Including short-term borrowing from parent company, short-term borrowing from financial institution, current portion of long-term borrowing from parent company, current portion of long-term borrowings from financial institution and current portion of leases liabilities, if any.

As at 31 March 2024, the Group's property, plant and equipment with a net book value of US Dollar 108.2 million (*31 December 2023: US Dollar 91.8 million*) were registered to secure long-term facilities with financial institutions.

As at 31 March 2024, US Dollar 2.2 million (*31 December 2023: US Dollar 14.9 million*) of restricted deposit at a financial institution was pledged against long-term loans with a local financial institution. The restricted deposit must be maintained at a minimum amount of the next two principal and interest payments.

As at 31 March 2024, US Dollar 1.2 million (*31 December 2023: US Dollar 0.1 million*) of restricted deposit at a financial institution was deposited by subsidiaries to secure the performance guarantee provided by the financial institution.



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1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Consolidated financial statements	
	Three-month period ended	
	31 March	
	2024	2023
	<i>(in thousand US Dollar)</i>	
<i>Cash flows from operating activities</i>		
Profit (loss) for the period	455	(4,896)
<i>Adjustments to reconcile loss to cash receipts (payments)</i>		
Tax expense (benefits)	594	(269)
Finance costs	2,288	1,289
Depreciation	6,871	6,108
Unrealised (gain) loss on exchange	(3,703)	898
Share of (profit) loss of associate and joint ventures	1,182	(453)
(Reversal of) impairment loss determine in accordance with TFRS9	(35)	10
Gains on disposals of property, plant and equipment	(3)	-
Interest income	(95)	(35)
Provision for employee benefits	141	201
Loss from write-off non-refundable withholding tax	139	165
	7,834	3,018
<i>Changes in operating assets and liabilities</i>		
Restricted deposit at financial institution	11,575	-
Trade and other accounts receivable	(27,128)	(6,003)
Supplies and spare parts	260	312
Other non-current assets	-	(67)
Trade and other accounts payable	6,949	643
Net cash used in operating activities	(510)	(2,096)
Provision for employee benefit paid	-	(36)
Taxes paid	(750)	(655)
Net cash used in operating activities	(1,260)	(2,787)



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**Consolidated financial
statements**
Three-month period ended
31 March
2024 2023
(in thousand US Dollar)

Cash flows from investing activities

Increase in short-term loan to related party	(500)	-
Proceeds from repayment of short-term loan from related party	1,250	-
Proceeds from sale of assets held for sale	752	-
Proceeds from sale of property, plant and equipment	3	-
Acquisition of property, plant and equipment and intangible assets	(7,677)	(2,245)
Proceeds from disposal of investment in joint venture	(750)	-
Interest received	105	30
Net cash used in investing activities	(6,817)	(2,215)

Cash flows from financing activities

Proceeds from borrowings from parent company	15,000	7,500
Proceeds from borrowings from financial institution	9,850	-
Repayment of borrowings to financial institutions	(18,817)	(3,568)
Payment of lease liabilities	(2,539)	(2,536)
Finance costs paid	(1,968)	(844)
Net cash from financing activities	1,526	552

Net decrease in cash and cash equivalents, before effect of exchange rates	(6,551)	(4,450)
Effect of exchange rates changes on cash and cash equivalents	(166)	85
Net decrease in cash and cash equivalents	(6,717)	(4,365)
Cash and cash equivalents at 1 January	30,317	7,801
Cash and cash equivalents at 31 March	23,600	3,436

Non-cash transactions

Payables for purchase of property, plant and equipment	1,330	1,621
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1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Consolidated financial statements								
	Issued and paid share capital	Share premium on ordinary shares	Retained earnings/ (Deficit)	Other components of equity			Equity attributable to owners of parent	Non-controlling interests	Total equity
Share-based payment				Changes in ownership interests	Total other components of equity				
<i>(in thousand US Dollar)</i>									
Three-month period ended 31 March 2023									
Balance at 1 January 2023	47,322	343,536	(226,772)	28	(3,420)	(3,392)	160,694	246	160,940
Comprehensive expense for the period									
Loss for the period	-	-	(4,866)	-	-	-	(4,866)	(30)	(4,896)
Total comprehensive expense for the period	-	-	(4,866)	-	-	-	(4,866)	(30)	(4,896)
Balance at 31 March 2023	47,322	343,536	(231,638)	28	(3,420)	(3,392)	155,828	216	156,044
Three-month period ended 31 March 2024									
Balance at 1 January 2024	47,322	343,536	(217,180)	28	(3,420)	(3,392)	170,286	317	170,603
Comprehensive income for the period									
Profit for the period	-	-	331	-	-	-	331	124	455
Total comprehensive income for the period	-	-	331	-	-	-	331	124	455
Balance at 31 March 2024	47,322	343,536	(216,849)	28	(3,420)	(3,392)	170,617	441	171,058



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Separate financial statements

	Issued and paid share capital	Share premium on ordinary shares	Retained earnings/ (Deficit)	Other components of equity Share-based payment	Total equity
<i>(in thousand US Dollar)</i>					
Three-month period ended 31 March 2023					
Balance at 1 January 2023	47,322	343,536	(261,326)	28	129,560
Comprehensive income for the period					
Profit for the period	-	-	57	-	57
Total comprehensive income for the period	-	-	57	-	57
Balance at 31 March 2023	<u>47,322</u>	<u>343,536</u>	<u>(261,269)</u>	<u>28</u>	<u>129,617</u>
Three-month period ended 31 March 2024					
Balance at 1 January 2024	47,322	343,536	(264,553)	28	126,333
Comprehensive expense for the period					
Loss for the period	-	-	(5,771)	-	(5,771)
Total comprehensive expense for the period	-	-	(5,771)	-	(5,771)
Balance at 31 March 2024	<u>47,322</u>	<u>343,536</u>	<u>(270,324)</u>	<u>28</u>	<u>120,562</u>



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1 (d)(ii) Details of any changes in the company’s share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There is no change in the Company’s share capital during the current and corresponding period.

1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of immediately preceding year.

As at 31 March 2024 and 31 December 2023, the issued and paid-up ordinary shares of the Company were 1,413,329,000 shares with a par value of Baht 1 per share.

1 (d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

1 (d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The consolidated financial statements for three-month period ended 31 March 2024 and 31 March 2023 have been reviewed in accordance with the Thai Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” by the auditor of the Company, KPMG Phoomchai Audit Limited.

3. Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of a matter).

The independent auditor’s report on review of interim financial information is on pages 1 of the interim consolidated financial statements. Both the interim consolidated financial statements and the Company financial statements for the three-month period ended 31 March 2024 are reported together with this announcement and are available on the SGX’s website and the Company’s website.



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3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.

The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the annual financial statements for the year ended 31 December 2023.

5. If there are any changes in the accounting policies and methods of computation, including any required by and accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

No, there are no any changes in the accounting policies and methods of computation for the three-month period ended 31 March 2024.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: -

(a) Based on the weighted average number of ordinary shares on issue; and

(b) On a fully diluted basis (detailing any adjustments made to the earnings).

Basic earnings (loss) per share/Fully diluted basis

The calculations of basic earnings (loss) per share for the three-month periods ended 31 March 2024 and 2023 were based on the profit (loss) for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements			
	2024 <i>(in thousand US Dollar/ thousand shares)</i>	2023 <i>(in thousand US Dollar/ thousand shares)</i>	2024 <i>(in thousand Baht/ thousand shares)</i>	2023 <i>(in thousand Baht/ thousand shares)</i>
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>331</u>	<u>(4,866)</u>	<u>11,803</u>	<u>(165,017)</u>
Number of ordinary shares outstanding (basic)	<u>1,413,329</u>	<u>1,413,329</u>	<u>1,413,329</u>	<u>1,413,329</u>
Earnings (loss) per share (basic)	<u>0.0002</u>	<u>(0.0034)</u>	<u>0.0084</u>	<u>(0.1168)</u>



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7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: -

- (a) current financial period reported on; and**
- (b) immediately preceding financial year.**

	Consolidated		Company	
	31-Mar-24 USD	31-Dec-23 USD	31-Mar-24 USD	31-Dec-23 USD
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares as at end of the respective year				
- Ordinary share (Basic)	0.12	0.12	0.09	0.09

Remark: Net asset value = Total equity attributable to owners of the Company

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following: -

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Consolidated Income Statements

Subsea group and the Group reported revenue from rendering of services for the three-month period ended 31 March 2024 of US Dollar 88.0 million, an increase of US Dollar 44.4 million or 101.8% compared to US Dollar 43.6 million of the corresponding prior year period. The increase was primarily from subsea inspection, repair and maintenance (“IRM”) services and subsea transportation and installation (“T&I”) services.

Subsea group and the Group generated gross profit for the three-month period ended 31 March 2024 of US Dollar 8.6 million, an improvement of US Dollar 8.3 million compared to US Dollar 0.3 million of the corresponding prior year period. This was primarily due to an increase in number of projects and high utilization of working vessels.

The Group reported administrative expenses for the three-month period ended 31 March 2024 of US Dollar 5.3 million, a slightly increase of US Dollar 0.1 million or approximately by 1.7% compared to US Dollar 5.2 million of the corresponding prior period.

The Group reported finance cost for the three-month period ended 31 March 2024 of US Dollar 2.3 million, an increase of US Dollar 1.0 million compared to US Dollar 1.3 million of the corresponding prior period. The increase was mainly due to increase in interests on borrowings from parent company.

The share of loss of associate and joint ventures for the three-month period ended 31 March 2024 was US Dollar 1.2 million, a decrease of US Dollar 1.6 million compared to share of profit of US Dollar 0.4 million of the corresponding prior period. This was primarily due to



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share of loss from Millennium 3 Ship Management and Operations DMCCO (“M3JV”) and Zeaquest Co., Ltd.

As a result, the Group reported net profit for the three-month period ended 31 March 2024 of US Dollar 0.5 million, an improvement of US Dollar 5.4 million from net loss of US Dollar 4.9 million of the corresponding prior period.

Consolidated Balance Sheets

Current assets as at 31 March 2024 were US Dollar 166.8 million, an increase of US Dollar 20.9 million compared to US Dollar 145.9 million as at 31 December 2023. The increase was primarily due to increase in trade and other accounts receivable which is in line with increase in revenue from rendering of services between periods.

Non-current assets as at 31 March 2024 were US Dollar 199.7 million, a decrease of US Dollar 11.0 million compared to US Dollar 210.7 million as at 31 December 2023. The decrease was mainly due to decrease in restricted deposit at financial institutions.

Current liabilities as at 31 March 2024 were US Dollar 161.2 million, an increase of US Dollar 22.6 million compared to US Dollar 138.6 million as at 31 December 2023. The increase was mainly due to an increase in trade and other accounts payable of US Dollar 6.6 million, increase in borrowings from parent company of US Dollar 29.0 million which was offset against decrease in borrowings from financial institutions of US Dollar 12.3 million.

Non-current liabilities as at 31 March 2024 were US Dollar 34.2 million, a decrease of US Dollar 13.2 million compared to US Dollar 47.4 million as at 31 December 2023. The decrease was primarily due to reduction of long-term borrowings from parent company.

Equity as at 31 March 2024 was US Dollar 171.1 million, an increase of US Dollar 0.5 million compared to US Dollar 170.6 million as at 31 December 2023. The increase in equity was mainly due to net profit for the period.

Working Capital

The Group’s working capital as at 31 March 2024 was US Dollar 5.5 million, a decrease of US Dollar 1.8 million compared to working capital of US Dollar 7.3 million as at 31 December 2023. The Company had negative working capital of US Dollar 51.7 million as at 31 March 2024, which was mainly from the borrowings from parent company of US Dollar 58.0 million. The parent company has provided undertaking not to recall the repayment of borrowings for the next 12 months, unless the Company has sufficient funds to make repayment of borrowings to the parent company. Management has assessed and ensured that the Group and the Company has an ability to continue its operations.

Consolidated Cash Flow Statements

The Group had net cash used in operating activities for the three-month period ended 31 March 2024 of US Dollar 1.3 million, which was mainly from an increase in trade and other accounts receivable.



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The Group had net cash used in investing activities for the three-month period ended 31 March 2024 of US Dollar 6.8 million. This was primarily due to an acquisition of property, plant and equipment of US Dollar 7.7 million, which was offset against cash received from repayment of short-term loan from related party.

The Group had net cash from financing activities for the three-month period ended 31 March 2024 of US Dollar 1.5 million. This was primarily due to a new borrowing from parent company of US Dollar 15.0 million and a new borrowing from financial institution of US Dollar 9.9 million, which was offset against a repayment of borrowings to financial institutions of US Dollar 18.8 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

World Economic Outlook (“WEO”):

During the period of global disinflation from 2022 to 2023, the economy displayed remarkable resilience despite declining global inflation. According to the latest forecast by the IMF, the world economy is anticipated to sustain a growth rate of 3.2 percent throughout 2024 and 2025, mirroring the pace observed in 2023. While advanced economies are expected to experience a slight uptick in growth, transitioning from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025, this acceleration will be counterbalanced by a modest deceleration in emerging market and developing economies, decreasing from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025.

Additionally, global headline inflation is expected to decline gradually, with advanced economies likely to achieve their inflation targets ahead of emerging market counterparts. The medium-term economic outlook reflects challenges such as lower growth in GDP per person due to persistent structural frictions hindering capital and labor allocation. Diminished growth prospects in major emerging markets, particularly China, are poised to impact trading partners. While risks to the global outlook are balanced, factors like geopolitical tensions and high government debt could potentially disrupt economic activity. Policy responses tailored to individual country circumstances, alongside multilateral cooperation, are crucial for navigating these challenges and accelerating the path towards sustainable growth and development.

Geopolitical Instability

Global Impact:

Geopolitical risks arising from elections, polarisation, and conflicts, whether domestic or international, have profound impacts on the global economy and individual countries alike. Skilfully navigating these risks is increasingly crucial this year.



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The ongoing conflict in Ukraine and tensions between Israel and Hamas in the Middle East, compounded by Houthi missile attacks on ships in the Red Sea, underscore the significant influence of geopolitical events on the global economy in 2024.

Moreover, the multitude of elections taking place worldwide is poised to impact the global economic trajectory. With over 64 countries heading to the polls, these elections have the potential to trigger changes in trade and investment policies while also heightening uncertainty and political polarisation on a global scale.

The topics of energy and climate change remain highly divisive in political discourse, with insufficient global advancement towards transitioning to sustainable practices. Nevertheless, the recent surge in energy prices following Russia's invasion into Ukraine could prompt decarbonization initiatives. Additionally, the Inflation Reduction Act presents substantial renewables incentives and investment avenues in the United States.

Operational Impact:

Currently, Mermaid does not have – or intend to have - any operations requiring passage or deployment to or from the near affected area and is receiving constant updates of insurance and other related advisories in this regard.

Subsea Outlook:

Amid mounting concerns over potential conflict in the Middle East, the oil market remains tightly managed by OPEC+, with promising economic growth in key global regions. Geopolitical tensions between Israel and Iran have cast a shadow over market dynamics, with the possibility of escalation threatening major oil-producing nations like Saudi Arabia and the UAE. The looming specter of disruption in the Strait of Hormuz, a vital shipping route, adds to market jitters. Specifically, Iran's role in supplying oil to China's independent refiners faces scrutiny, though current consensus suggests continuity. Despite forecasts of maintained global oil inventories, ongoing geopolitical uncertainties and OPEC+'s supply management strategy are expected to uphold prices. The forecasted Brent Crude Oil price has increased to average at \$88/b for 2024 and \$85/b for 2025.

While China's oil demand growth is moderating, macroeconomic indicators show positive trends, particularly in the US, UK, and Middle East. Meanwhile, attention is drawn to non-OPEC+ oil production growth, including emerging West African exporters. However, the market remains watchful of disruptions such as Ukrainian drone attacks on Russian refineries, which could further tighten supply. As Russian crude runs fall, there will be a slowdown in diesel exports from the largest non-OPEC supplier.

The subsea market's resurgence is fuelled by technological advancements and innovations, which have enhanced efficiency and lowered operational costs, making offshore projects more attractive. Additionally, the growing global focus on environmental sustainability and the transition to cleaner energy sources has led to increased investment in offshore wind farms and other renewable energy projects, creating new opportunities within the subsea sector.

Moreover, the ongoing geopolitical tensions and volatility in traditional oil and gas markets have spurred diversification efforts, with companies increasingly looking to expand their



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portfolios into new regions and sectors, including deep-water exploration and production, subsea mining, and underwater infrastructure development.

Collaboration between industry players, government agencies, and research institutions is driving further growth and innovation in the subsea market. Initiatives aimed at standardizing practices, improving safety measures, and developing cutting-edge technologies are helping to unlock untapped potential and address emerging challenges in this dynamic sector.

Overall, the subsea market's resilience, coupled with evolving industry dynamics and a shifting energy landscape, positions it as a key player in the global energy transition and underscores its potential for sustained growth in the future.

Conclusion:

Against this backdrop, Mermaid maintains an optimistic outlook on the oil and gas sector over the coming year. Mermaid firmly believes that we remain one of the best-placed companies due to our position on the value chain, strategic geo-positioning, reputation, track record, and fiscal discipline. The benefits from higher energy prices in the near term should continue working to ensure respectable profits in the short and intermediate term. Looking ahead, the Group remains focused on building capacity in the Engineering and cable divisions and the increased focus on the African subsea space. Mermaid further notes the movement to invest in clean energy. This development bodes well for our stated objective of seamlessly moving into the renewables space when the opportunity arises and as clean energy becomes a driver for growth, jobs, and tonnage.

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared during the period.

(b) (i) Amount per share.....cents

No dividend has been declared during the period.

(b) (ii) Previous corresponding period.....cents

No dividend has been declared during the corresponding prior period.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

No dividend has been declared during the period.

(d) The date the dividend is payable.

No dividend has been declared during the period.



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(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

No dividend has been declared during the period.

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended by the board of directors (“Directors”) of the Company in respect of 1Q2024 as the Group has to reserve cash for working capital and operation.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There is no mandate from shareholders for IPTs.

The aggregate value of interested person transactions of the Group entered into during the three-month period ended 31 March 2024 are as below:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Thoresen Thai Agencies Public Company Limited (“TTA”)	TTA holds 58.22% the total share capital of the Company.	Loans between the Group and TTA of US Dollar 69 million with interest 7% per annum. Interest expense of US Dollar 1.2 million.	-

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

To the best knowledge of the Board of Directors, nothing has come to the attention of the Board of Directors of the Company that may render the unaudited financial results for the first quarter that ended on 31 March 2024 of the Group and the Company to be false or misleading in any material respect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1)

The Company has received undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720 (1) of the Listing Manual of the SGX-ST



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16. A reconciliation of a difference between TFRS to IFRS.

There is no significant difference between TFRS and IFRS.

BY ORDER OF THE BOARD

Mr. Prasert Bunsumpun	Mr. Chalermchai Mahagitsiri
Chairman of the Board	Chief Executive Officer