

**MTQ CORPORATION LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 196900057Z)

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**DISPOSAL OF SHARES IN MMA OFFSHORE LTD (“MMA”)**

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**1. INTRODUCTION**

The Board of Directors (the “Board”) of MTQ Corporation Limited (the “Company” and together with its subsidiaries, the “Group”) hereby announce that the Blossomvale Investments Pte Ltd (“**Blossomvale**”), a wholly-owned subsidiary of the Company, has divested 2,000,000 ordinary shares held in MMA Offshore Limited (“MMA”), herein referred to as “MMA Share(s)”, through a series of open market transactions between 1 March 2024 – 21 March 2024 (the “Disposal”), at a volume weighted average sale price of A\$2.2754 per share. The aggregate cash consideration received by the Group (after deducting transaction costs) is approximately S\$3.97 million (“Net Proceeds”). Subsequent to the Disposal, Blossomvale holds 3,887,840 MMA Shares as at the date of this announcement.

**2. INFORMATION ON MMA SHARES**

MMA, a company listed on the Australian Securities Exchange (“ASX”), is a leading provider of marine and subsea services globally. With a fleet of modern offshore vessels and expertise, MMA delivers pioneering blue solutions to support energy and offshore renewable projects, governments and coastal infrastructure around the world.

The MMA Shares were received by the Group on 7 November 2019 as part of the purchase consideration pursuant to the sale of the entire operating businesses (including certain subsidiaries and assets) of Blossomvale Holdings Ltd (previously known as Neptune Marine Services Limited which was liquidated in 2023).

The MMA Shares were carried at the Group’s balance sheets as Other Investment at fair value with subsequent changes through other comprehensive income (“FVOCI”). Based on the Group’s unaudited consolidated financial statements for the financial period ended 30 September 2023, the fair value of the MMA Shares disposed was approximately S\$2.45 million (out of S\$7.21 million fair value of the total MMA Shares held by the Group as at 30 September 2023).

There were no net profits attributable to the MMA Shares as there were no dividends received from MMA and the changes in fair value were recorded in other comprehensive income.

The closing price as at 25 March 2024 was A\$2.60 per MMA Share, being the latest available open market price prior to this announcement.

### 3. NET PROCEEDS

The Net Proceeds of S\$3.97 million represents the aggregate cash considerations received from the on-market sale(s), after deducting transaction costs (e.g. brokerage fees, commissions etc). No gain or loss on Disposal will be recorded by the Group as the MMA Shares were carried at FVOCI (based on the market value) up to the date(s) of Disposal. No valuation was conducted on the MMA Shares in arriving at the Net Proceeds.

### 4. RATIONALE AND USE OF PROCEEDS

The Group does not have any control nor significant influence over MMA when the MMA Shares were received as part of the purchase consideration upon selling the Neptune businesses in 2019. Over the preceding four years, the share price of MMA has demonstrated volatility, culminating in a peak of A\$2.35 prior to the Disposal. This marked an opportunity for the Group to unlock a substantial segment of its balance sheets and result in a positive cash inflow of S\$3.97 million, thereby improving overall liquidity position of the Group.

The Group intends to utilise the Net Proceeds for general working capital purposes as well as for the strategic redeployment required for the ongoing expansion into the UAE.

### 5. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE LISTING MANUAL

5.1 Based on the latest announced consolidated interim financial statements of the Group for 1HFY2024, the relative figures in relation to the Proposed Disposal computed on the bases set out under Rule 1006 of the Listing Manual are as follows:

Rule	Basis	Relative Figure
1006(a)	Net asset value of MMA Shares disposed, compared with the Group's net asset value	3.36% <sup>(1)</sup>
1006(b)	Net profits attributable to the investment in MMA, compared with the Group's net profits	0.0% <sup>(2)</sup>
1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation, based on the total number of issued shares excluding treasury shares	5.57% <sup>(3)</sup>
1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil or gas company, but not to an acquisition of such assets.	Not applicable

**Notes:**

- (1) Based on the carrying value of the disposed MMA Shares and net asset value of the Group as at 30 September 2023.
- (2) There were no net profits attributable to the disposed MMA Shares as there were no dividends received from MMA and the changes in fair value were recorded in other comprehensive income.
- (3) This figure is based on the Net Proceeds of S\$3.97 million and the Company's market capitalisation of approximately S\$71.26 million. The Company's market capitalisation was computed based on the Company's existing number of issued shares (less treasury shares) of 224,873,000 ordinary shares ("**Shares**") and the volume weighted average price of S\$0.3169 per Share on 29 February 2024, which is the last full market day on which the Shares were traded prior to the Disposal.

5.2 As the relative figure computed for Rule 1006(c) are more than 5.0% but does not exceed 20%, the Disposal is a "Discloseable Transaction" as defined in Rule 1010 of the Listing Manual.

**6. FINANCIAL EFFECTS OF THE DISPOSAL**

6.1 The financial effects of the Disposal set out below are purely for illustrative purposes only and do not reflect the actual results and financial position of the Company or the Group after the Disposal. The financial effects of the Disposal were calculated based on the audited consolidated financial statements of the Group for FY2023, being the most recently completed financial year for which financial statements are publicly available as at the date of this announcement.

6.2 Net tangible asset ("**NTA**") and Earnings per Share ("**EPS**")

As (i) the MMA Shares were carried at FVOCI; and (ii) there were no profits attributable to the MMA Shares, there would have been no financial impact of the Disposal to the Group's NTA or EPS had the Disposal took place on 31 March 2023 or 1 April 2022 respectively (assuming the fair value of the disposed MMA Shares as of those dates were adjusted to the fair value as at the date(s) of Disposal).

6.3 Net debt gearing

For the purpose of computing net debt gearing of the Group, it is assumed that the Disposal was completed on 31 March 2023. The effect of the Disposal on the net debt gearing of the Group is as follows:

	<b>Before the Proposed Disposal</b>	<b>After the Proposed Disposal</b>
Net debt/(cash) (S\$'000)	6,651	2,680
Net capitalisation (S\$'000)	69,679	65,708
Net debt gearing <sup>1</sup>	9.5%	4.1%

<sup>1</sup>Net debt gearing is defined as the ratio of net debt to net capitalisation. Net capitalisation is the aggregate of net debt and total equity.

**7. SERVICE CONTRACT**

No person will be appointed to the Board, and no service contract will be entered into by the Company, in connection with the Disposal.

**8. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or controlling shareholders of the Company and their respectively associates has any interest, direct or indirect, in the Proposed Disposal, other than their respective shareholdings (if any) in the Company.

**By Order of the Board**

Tan Lee Fang

Company Secretary

25 March 2024