



**MERMAID MARITIME PUBLIC COMPANY LIMITED**

**บริษัท เมอร์เมด มาริไทม์ จำกัด (มหาชน)**

(Reg. No. 0107550000017)

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**For Immediate Release**

## **Mermaid Maritime's focus on oil & gas production services, strong fundamentals and healthy order book offers protection against declining oil prices**

- Exposure mainly to exploration elements and not production, positions Group as a safe and steady investment in the oil and gas sector
- Healthy order book of USD470 million as at September 2014 mostly to be performed in 2015 and 2016 providing steady flow of activities
- Mermaid Maritime is in the bidding process for promising pipeline of additional contracts beginning in 2015
- Strong fundamentals places Mermaid on track to deliver highest yearly earnings in upcoming full year results

**SINGAPORE & THAILAND** – 17 October 2014 – Mainboard-listed Mermaid Maritime Public Company Limited (“**Mermaid Maritime**”, “**MMT**” or the “**Group**”), a leading provider of subsea and drilling services for the global offshore oil and gas industry, would like to address any concerns that its shareholders may have following the recent decline in global oil prices, and subsequently, the drop in share prices of companies in the oil & gas industry.

*Mr. Chalermchai Mahagitsiri, Chief Executive Officer of Mermaid Maritime said, “A key differentiating point between Mermaid Maritime and other oil and gas services companies would be that our main exposure is primarily in the production side of the E&P cycle.*

*In a scenario of falling oil prices, the new exploration business is the first to be cut, followed by the existing exploration works, while the last segment to be hit will be the actual oil production as oil and*

***gas majors would want to maintain production and take greater care of existing fields rather than invest in new ones, and our strengths lie exactly in this field.***

***Our strengths in the field have resulted in Mermaid Maritime securing long term contracts with blue chip names in the oil & gas sector, providing us with greater security and it is these same strong fundamentals which have brought us in line to deliver our highest yearly earnings in our upcoming full year results announcement.”***

Mermaid Maritime has been regularly awarded contracts for new jobs, with the most recent being USD45 million worth of contracts for subsea works in the Middle East announced in September 2014. With a current outstanding order book of USD470 million, the Group is looking to boost its order book by participating in the bidding process for a promising pipeline of contracts scheduled to begin in 2015. The current outstanding order book of USD470 million, mostly to be performed in 2015 and 2016, will keep the Group busy with a steady flow of activities.

Mermaid Maritime also has lesser exposure and lower sensitivity to oil price changes as it boasts a clientele base comprising national oil and gas companies and counts state-owned Saudi Aramco as its largest customer, compared to a customer base comprising of international oil and gas companies.

***Mr. Chalermchai Mahagitsiri continued, “One major benefit of having national oil & gas companies forming a large part of our clientele base is the fact that many of our clients have a lower breakeven price for oil, and today’s prices are still above these levels. They are also motivated by national security and the need to maintain production of depleting fields.***

***We do not foresee any major work stoppage as the business segments that Mermaid Maritime specializes in acts as a barrier for us against the volatility of oil prices. Our subsea IRM (inspection, repair & maintenance) works caters to operators in the production cycle while our drilling rigs are utilized mainly in production fields.***

***We would like to assure our shareholders that Mermaid Maritime continues to be a safe and steady investment in the oil & gas sector and urge their patience in seeing through this decline in oil prices with us.”***

**About Mermaid Maritime Public Company Limited (Bloomberg Code: MMT SP)**

Mermaid is well established and recognized by the industry for its high quality services delivered professionally, safely and efficiently, and has developed a strong blue chip customer base that includes some of the world's largest Oil and Gas Majors. With world class operations, logistics and maintenance bases in key geographical locations, Mermaid Maritime is able to facilitate the expeditious and efficient mobilisation of vessels, personnel and equipment to customer locations.

Mermaid Maritime's subsea division is represented by Mermaid Subsea Services, which operates as a unified structured unit across markets offering customers a comprehensive range of subsea solutions through a highly competent technical and operations workforce operating out of Thailand, Indonesia, Singapore, Qatar, United Arab Emirates and Saudi Arabia.

Mermaid Maritime's drilling division comprises Mermaid Drilling, which provides tender-assist drilling and accommodation barge services through its ownership and investments of two (2) tender rigs, and associate interest in Asia Offshore Drilling with three (3) high specification premium jack-up drilling rigs recently delivered in 2013 from the construction yard in Singapore and now deployed in the Middle East. Mermaid Drilling also has an additional two (2) 'performance class' new build tender rigs under construction in China with delivery scheduled for 2016.

The company's vision is to be a premium service provider in the oil and gas services industry and to consistently deliver enhanced return to its shareholders. To this end, the company's mission is to deliver a world class service to the region from within the region.

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**Issued for and on behalf of Mermaid Maritime Public Company Limited By Financial PR Pte Ltd**

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