



MERMAID MARITIME PUBLIC COMPANY LIMITED

บริษัท เมอร์เมต มารีไทม์ จำกัด (มหาชน)

(Reg. No. 0107550000017)

26/28-29, 9th Floor Orakarn Bldg., Soi Chidlom, Ploenchit Road,
Lumpinee, Pathumwan, Bangkok 10330, Thailand.

Tel.: +66 (0) 2-255-3115~6; Fax: +66 (0) 2-255-1079

SALE AND DISPOSAL OF 'MERMAID SIAM' VESSEL

1. INTRODUCTION

Mermaid Maritime Public Company Limited ("Mermaid" or the "Company") wishes to announce that its wholly owned subsidiary Mermaid Subsea Services (Thailand) Ltd. ("Seller") has on 24 March 2021 completed the sale and disposal of the DP2 construction barge "Mermaid Siam" ("Vessel") to Aladin Shipping Pte. Ltd. ("Disposal"), a company incorporated in Singapore.

2. DETAILS OF THE DISPOSAL

The consideration for the Disposal of the Vessel was USD 925,000 ("Consideration") and was satisfied in cash. The consideration was arrived on a willing buyer willing seller basis taking into consideration the net asset value of the Vessel (further described in paragraph 3.2 below) and the Vessel's status, specifications and age and represented the highest offer for the Vessel received from a pool of several potential buyers after physical inspection.

3. INFORMATION ON THE VESSEL

3.1 Details of the Vessel

The 'Mermaid Siam' is a DP2 construction support barge built in 1991 and classed under DNV and registered under the flag of St. Vincent and the Grenadines. The Seller purchased the Vessel in 2010 and the Vessel had been gainfully employed for several years thereafter. However, as a result of challenging conditions in the oil and gas markets, the Vessel become unemployed and eventually cold stacked in 2016 in the United Arab Emirates.

3.2 Asset Value of the Vessel

As at 31 December 2020, based on the latest announced audited consolidated financial statements of Mermaid for the full financial year ended 31 December 2020 ("FY2020"), the net book value and net tangible asset value of the Vessel was approximately USD 425,000. Based on the said value of the Vessel, the gain on disposal of the Vessel was therefore approximately USD 500,000.



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4. RATIONALE FOR THE DISPOSAL AND USE OF PROCEEDS

4.1 Rationale

As part of the Company's cost savings exercise, the Company had taken a strategic review on the status of the Vessel which had exceeded 25 years old and has been stacked since 2016 and with little outlook for cost effective re-activation. The Company considers that the Disposal maximizes value for the benefit of the Company's shareholders when compared to continually disbursing expenses for stacking and related costs with no foreseeable opportunity for recovery. As the Vessel had been cold stacked since 2016, the Disposal will not materially impact the operations of the Company's business.

4.2 Use of Proceeds

The Vessel is not mortgaged to any financial institution. The net proceeds from the sale shall be made available for Mermaid's working capital.

5. PRO FORMA FINANCIAL EFFECTS OF THE DISPOSAL

5.1 The pro forma financial effects of the Disposal on the net tangible assets ("NTA") per share and the earnings per share of Mermaid and the share capital of Mermaid as set out below are prepared purely for illustration only and do not reflect the actual future financial situation of Mermaid after the Disposal.

The pro forma financial effects have been prepared based on the latest announced audited consolidated financial statements of Mermaid for the financial year ended 31 December 2020 ("FY2020"), such financial year being the most recently completed financial year.

5.2 Net Tangible Assets – FY2020

Purely for illustrative purposes only and assuming that the Disposal had been completed on 31 December 2020, being the end of FY2020, the effect on the NTA per share of Mermaid as at 31 December 2020 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA (US\$'000)	177,290	177,790



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NTA per share (US\$)	0.1254	0.1258
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5.3 Earnings Per Share – FY2020

Purely for illustrative purposes only and assuming that the Disposal had been completed on 1 January 2020 being the beginning of FY2020, the effect on the earnings per share of Mermaid for FY2017 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Profit/loss attributable to the Shareholders (US\$'000)	(109,654)	(109,154)
Number of ordinary shares outstanding (US\$'000)	1,413,329	1,413,329
Earnings per share (US cents)	(0.0776)	(0.0772)

5.4 Share Capital

The Disposal will not have any impact on the issued share capital of Mermaid.

6. CHAPTER 10 OF THE LISTING MANUAL

6.1 Rule 1006 Relative Figures for the Disposal

The relative figures for the Disposal computed on the relevant bases set out in Rule 1006 of the Listing Manual of the SGX-ST (“Listing Manual”) are as follows:

Rule 1006	Bases	Relative Figures (%)
(a)	Net asset value of the Vessel as compared with Mermaid’s net asset value	0.24
(b)	Net profit attributable to the Vessel compared with Mermaid’s net loss	-
(c)	The consideration received compared with the market capitalization of Mermaid	1.32



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6.2 Rule 1008

Rule 1008 (1) of the Listing Manual states, inter alia, unless Rule 703, 905 or 1009 applies, no announcement of the transaction is required if all of the relative figures computed on the bases set out in Rule 1006 amount to 5% or less. As the relative figures for the Disposal computed on the relevant bases set out in Rule 1006 of the Listing Manual is less than 5%, the Disposal is classified as a “Non-Discloseable Transaction” for the purposes of Chapter 10 of the Listing Manual.

However, the Company wishes to announce the transaction and the announcement includes (a) details of the consideration as required in Rule 1010(3); and (b) the value of assets acquired or disposed of as required in Rule 1010(5).

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their interests in the shares of Mermaid (if any), none of the Directors or controlling shareholders of Mermaid has any interest, direct or indirect, in the Disposal.

8. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of Mermaid in connection with the Disposal. Accordingly, no service contract is proposed to be entered into between Mermaid and any such person in connection with the Disposal.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the contract documents are available for inspection during normal business hours at the registered office of the Company at No. 26/28-29 Orakarn Building 9th Floor, Soi Chidlom, Ploenchit Road, Lumpinee, Pathumwan, Bangkok 10330, Thailand for a period of three months commencing from the date of this Announcement.

Please be informed accordingly.

Vincent Siaw
Executive Vice President
24 March 2021