



MERMAID MARITIME PUBLIC COMPANY LIMITED

(Reg. No. 0107550000017)

26/28-29, 9th Floor Orakarn Bldg., Soi Chidlom, Ploenchit Road,
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MERMAID RETAINS KEY SUBSEA IRM CONTRACT WITH A REPUTABLE CLIENT IN THE MIDDLE EAST AT REDUCED RATES

Mermaid reduces rates to retain strategic subsea inspection, repair and maintenance contract and continues with cost efficiencies, centralization and consolidation of its business to remain competitive.

Mermaid Maritime Public Company Limited (“Mermaid”) wishes to announce that its joint-venture company, Zamil Mermaid Offshore Services Company LLC (“ZMOS”), has retained its long-term offshore inspection, repair, and maintenance services contract with a reputable client where the rendering service day rates have been reduced to ensure service continuity to the end of the contract. This reduction in rates was part of a cost reduction initiative driven by the client given the challenging business environment.

The contract, which was awarded in the fourth quarter of 2012, is for a five year period and is scheduled to continue until the fourth quarter of 2017. In this contract, Mermaid provides a suite of diving services using one of its modern DP2 dive support vessels along with remotely operated vehicles, specialized diving equipment and divers. Mermaid’s joint venture partner, a reputable offshore and marine services company, provides other offshore vessels, services and logistics.

Mermaid’s portion of the revised contract value for the remainder of the term is estimated to be not less than approximately US\$70 million. The said contract also has a two-year extension option embedded which, if exercised by the client, could see the contract further extended until the fourth quarter of 2019.

To mitigate the reduction in rates, Mermaid has also initiated a second round of cost efficiencies, centralization and consolidation of its business in order to improve its cost base and make it more efficient and competitive during this period while maintaining its operating excellence and safety performance.

Financial Effects

Assuming that the contract rate adjustment had commenced and had been completed within the most recent financial year (the Company’s last financial year ended 31 December 2015), the contract rate adjustment would have had material effect on the earnings per share of the Company (on a consolidated basis) and a non-material effect on the net tangible assets per share of the Company (on a consolidated basis) for that financial year.



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Interest of Directors and Controlling Shareholders

None of the directors or controlling shareholders of the Company has any interest, direct, or indirect, in the contract rate adjustment. There are also no new directors proposed to be appointed to the Company in connection with the contract rate adjustment.

Please be informed accordingly.

Vincent Siaw
Chief Operating Officer
11 October 2016