



## Mermaid Maritime Public Company Limited

บริษัท เมอร์เมด มารีไทม์ จำกัด (มหาชน)

(Reg. No. 0107550000017)

26/28-29, 9<sup>th</sup> 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

### **UPDATE ON ACQUISITION OF SEASCAPE SURVEYS PTE. LTD.**

*Mermaid re-negotiates price formula for 80% shareholding in Seascapc Surveys Pte. Ltd., a company providing hydrographic survey and positioning services to the offshore oil and gas industry. New price formula allows full up-front payment and Mermaid to retain its share of all future earnings generated by new acquisition.*

#### **1. Introduction**

Mermaid Maritime Public Company Limited (“Mermaid”) refers to its previous announcement via SGXNET titled “Mermaid Acquires Seascapc Surveys Pte. Ltd.” dated 07 February 2008 whereby it reported that its wholly owned subsidiary, Mermaid Offshore Services Ltd. (“MOS”), had on 07 February 2008 entered into a share sale agreement with Seascapc Pacific Ltd. (“Seascapc Pacific”) for the purchase of 80 ordinary shares in Seascapc Surveys Pte. Ltd. (“Seascapc Surveys”) from Seascapc Pacific representing 80% of Seascapc Surveys’ total issued and paid up share capital (the “Share Acquisition”).

In the same previous announcement, Mermaid also reported that it will be entering into a separate purchase transaction of necessary survey and positioning equipment currently used by Seascapc Surveys, to be entered into by Seascapc Surveys (Thailand) Ltd. as buyers (a company to be incorporated and jointly owned by MOS (80%) and Seascapc Pacific (20%)), and Seascapc Surveys (Australia) Pty. Ltd. (“Seascapc Australia”) (a company sharing common directorship with Seascapc Pacific) as sellers (the “Asset Purchase”).

The Share Acquisition and the Asset Purchase together form the total acquisition package of 80% of Seascapc Survey’s business by MOS, while allowing its original founders, Seascapc Pacific, to retain 20% of Seascapc Survey’s business.

Mermaid wishes to announce that MOS and Seascapc Pacific have now executed a revision to the purchase consideration and payment schedule for the Share Acquisition and Asset Purchase as set forth below.



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### 2. Revised Consideration

The total consideration for the Share Acquisition and Asset Purchase is:

Consideration = (A) + (B)
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(A) USD 400,000 (United States Dollars Four Hundred Thousand Only).

(B) 80% (eighty percent) x [multiplied by] 5 (five) x [multiplied by] audited EBITDA of the Seascope Group for the financial year ended 31st December 2007.

“Seascope Group” comprises the following entities: Seascope Surveys (consolidated), Seascope Pacific and the predecessor companies of Seascope Australia.

### 3. Payment Schedule

#### *(i) Share Acquisition - Deposit*

Amount: USD400,000 (United States Dollars Four Hundred Thousand Only).

Due Date: Execution of agreement containing revised consideration and payment terms.

#### *(ii) Share Acquisition - 1st Payment*

Amount: 80% (eighty percent) x [multiplied by] 5 (five) x [multiplied by] un-audited EBITDA of the Seascope Group for the financial year ended 31st December 2007 x 70% (seventy percent) – [less] USD800,000 (United States Dollars Eight Hundred Thousand Only).

This amount has been calculated to be USD 6,760,000 (United States Dollars Six Million Seven Hundred and Sixty Thousand Only).

Deposit to be retained by Seascope Pacific.

Due Date: Date of Completion



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### ***(iii) Share Acquisition - 2nd Payment***

**Amount:** 80% (eighty percent) x [multiplied by] 5 (five) x [multiplied by] audited EBITDA of Seascope Group for the financial year ended 31st December 2007 – [less] USD800,000 (United States Dollars Eight Hundred Thousand Only) (“Initial Balance”) – [less] 1st Payment.

**Due Date:** Within 10 (ten) business days after the release of all of the audited financial statements of the Seascope Group for the financial year ended 31st December 2007.

The Share Acquisition will result in MOS acquiring controlling interest in Seascope Surveys Pte. Ltd. and its subsidiaries: Seascope Inspection Services Ltd. and P.T. Seascope Surveys Indonesia. The remaining companies within the Seascope Group will not be purchased. However, all of its revenue generating assets will be purchased in the Asset Purchase (see below).

### ***(iv) Asset Purchase***

The consideration for the Asset Purchase is as follows:

**Amount:** USD800,000 (United States Dollars Four Hundred Thousand Only).

**Due Date:** Upon completion of the Asset Purchase.

The revised consideration for the Share Acquisition and the Asset Purchase was arrived based on negotiations on a willing-buyer willing-seller basis and is in the opinion of Mermaid a revision that is more favorable to Mermaid than the original consideration as it allows Mermaid to retain its share of all future earnings of the Seascope Surveys business.

The consideration for the Share Acquisition and the payment for the Asset Purchase has been funded through an increase in the issued share capital of MOS which was fully subscribed by Mermaid out of the proceeds received from the initial public offering (“IPO”) of the shares of Mermaid.



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#### 4. Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”)

In order to determine the classification of the Share Acquisition and Asset Purchase which shall be considered as one transaction, the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

(a) Net Asset Value Test (Rule 1006(a))

The net asset value test is not applicable to the Share Acquisition and Asset Purchase.

(b) Net Profits Test (Rule 1006(b))

The net profit of Mermaid as at 30 September 2007 (latest audited consolidated financial statement) was THB 541,081,756.

The net profit of Seascope Surveys and its subsidiaries including the net profits of Seascope Australia attributed to the assets to be purchased as at 31 December 2007 (based upon un-audited final management accounts disclosed to Mermaid) was USD 2,699,020. This is equivalent to THB 85,154,081 (based on an exchange rate of USD 1.00 = THB 31.55).

Therefore, the net profits attributable to the Share Acquisition and Asset Purchase compared with Mermaid's net profits based on the above calculation is 15.74%.

(c) Market Capitalization Test (Rule 1006(c))

The consideration of USD 7,960,000 (being the Deposit and 1st payment for the Share Acquisition and the consideration for the Asset Purchase) is equivalent to approximately SGD 10,984,800 (based on the exchange rate of USD 1.00 = SGD 1.38). This represents 2.19% of Mermaid's market capitalization of SGD 500,759,831 million. The market capitalization is computed based on the weighted average price of Mermaid's shares transacted on 04 March 2007 (SGD 0.9571), being the market day preceding the date of the contract signing, multiplied by the number of shares in issue (523,205,340 shares).

Mermaid will make separate announcements via SGXNET when the 2<sup>nd</sup> Payment for the Share Acquisition is known and made.



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(d) Equity Securities Test (Rule 1006(d))

The equity securities test is not applicable to the Share Acquisition and Asset Purchase as no equity securities are being issued as consideration for the Share Acquisition and Asset Purchase.

Having regard to the above, the Share Acquisition and Asset Purchase is a "Disclosable Transaction" under Rule 1010 of the Listing Manual.

**5. Interest of Directors and Controlling Shareholders**

None of the directors or controlling shareholders of Mermaid has any interest, direct or indirect, in the revised consideration for the Share Acquisition and Asset Purchase. There are also no new directors proposed to be appointed to Mermaid in connection with the revised consideration for Share Acquisition and Asset Purchase.

**6. Documents for Inspection**

A copy of the relevant contracts for the Share Acquisition and Asset Purchase may be inspected at the registered office of Mermaid at 26/28-29, Orakarn Building 9<sup>th</sup> Floor, Soi Chidlom, Ploenchit Road, Lumpinee, Pathumwan, Bangkok 10330, Thailand during normal business hours for a period of three (3) months from the date of this announcement.

Please be informed accordingly.

Vincent Siaw  
Company Secretary  
05 March 2008

Macquarie Securities (Singapore) Pte Limited was the Sole Global Coordinator, Bookrunner and Underwriter for, and Macquarie Securities (Asia) Pte Limited was the Issue Manager for, the initial public offering of Mermaid. This announcement has been prepared and released by Mermaid.



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### About Mermaid

Mermaid Maritime Public Company Limited (“Mermaid” or the “Company”) is a leading provider of drilling and sub-sea engineering services for the oil and gas industry in South East Asia. Over the last five years, the Company has grown significantly in the areas of sub-sea engineering, and more recently, drilling services for the offshore oil and gas industry as well as in training and technical services. Mermaid has established itself as a company recognized by the industry for high quality services, delivered safely and efficiently. The Company has developed a strong blue chip client base that includes some of the world’s largest oil and gas-related companies. The Company operates throughout South East Asia, particularly in Thailand, Indonesia, Malaysia and Vietnam.

Mermaid provides drilling services through its majority-owned (95%) subsidiary, Mermaid Drilling Ltd. (“MDL”) which currently has two tender rigs. The Company provides sub-sea engineering services through its wholly owned subsidiary, Mermaid Offshore Services Ltd. (“MOS”). MOS provides sub-sea inspection, repair and maintenance services, light construction services and emergency repair and call out services in South East Asia. MOS’ fleet consists of four vessels which it owns, in addition to one dynamic positioning construction vessel and one remotely operated vehicle (“ROV”)/air dive support vessel, both of which it charters. In addition, MOS owns one portable saturation diving system, seven air diving systems and seven ROVs.