

MERMAID MARITIME PUBLIC COMPANY LIMITED

Management Presentation

*Singapore Shareholders' Forum 2009
28 February 2009, Suntec Singapore*





Presentation outline



- 🌀 Video Introduction
- 🌀 Business Overview
- 🌀 Outlook and Recent Developments
- 🌀 Financial Overview
- 🌀 Conclusion
- 🌀 Questions & Answers

VIDEO INTRODUCTION



BUSINESS OVERVIEW





Mermaid's operations focuses in two specialized niches within the offshore production sector



Area of focus	Production drilling + workovers	Sub-sea engineering
Key assets	2 tender barge drilling rigs	9 vessels & supporting assets ¹
FY 2009 Sales to date²	34%	66%
Contractual nature	Typically long term	Short to mid term contracts with longer contracts emerging
Demand drivers	Additional and enhanced production	New and existing sub-sea infrastructures

Business mix reduces earnings volatility

1. Includes 2 vessels from AME (Mermaid affiliate)

2. FQ1/2009 + January 2009



Blue chip client base



中国海洋石油总公司
CHINA NATIONAL OFFSHORE OIL CORP.

ExxonMobil



Established, strong client relationships and operational track record



Board of Directors



M.L. Chandchutha Chandratat
Executive Chairman

- Managing Director of Thoresen Thai Agencies Public Company Limited
- Previous experience include:
 - Executive Director (Special Situations Group), Morgan Stanley Dean Witter Asia (Singapore) Pte. Ltd.
 - Vice President (Asia Trading Group), JP Morgan Securities Asia Ltd. (Singapore)



David Simpson
Managing Director

- Over 25 years experience in the offshore oil and gas industry.
- Previous appointments include:
 - Managing Director, Africa Oilfield Services Ltd.
 - Country Manager (Equatorial Guinea), Transocean Inc.



Board of Directors



Lim How Teck
Independent Director
Member, Audit Committee

- ❶ Chairman of Certis CISCO Security Pte. Ltd. and Deputy Chairman of Tuas Power Ltd.
- ❷ Former Chairman of The Singapore Commodity Exchange and Group Deputy CEO of Neptune Orient Lines Pte. Ltd.
- ❸ Awarded the Public Service Medal by the Singapore Government in 1999



Ng Chee Keong
Independent Director
Chair, Nomination Committee
Chair, Remuneration Committee

- ❶ Special adviser to PSA International Pte. Ltd. and formerly its Group President and CEO
- ❷ Awarded the Public Administration Medal (Gold) by the Singapore Government in 1997



Board of Directors



Pichet Sithi-Amnuai
Independent Director
Chair, Audit Committee

- President, Bualuang Securities Public Company Limited
- Formerly First Vice President (Corporate Finance) at Jardine Fleming Thanakorn Securities Ltd.



Leslie Merszei
Independent Director
Member, Audit Committee
Member, Nomination Committee
Member, Remuneration Committee

- Managing Director of Corporate Performance Advisors Ltd. and XJET Ltd.
- Previous experience include President and CEO of Royal Trust International and several former Dow Financial Services companies within that group including several banks e.g. Vice Chairman of Royal Trust Merchant Bank Ltd. (Singapore)



Board of Directors



Surasak Khaoroptham
Non-Executive Director

- ❶ Managing Director of Altus Advisory Co. Ltd.
- ❷ Previous experience include:
 - ❶ Vice President of Credit Suisse First Boston (Singapore) Pte. Ltd.
 - ❷ Assistant Vice President of Phatra Thanakit Public Company Limited



Joey Horn
Non-Executive Director
Member, Nomination Committee
Member, Remuneration Committee

- ❶ Independent Director, Thoresen Thai Agencies Public Company Limited
- ❷ Previous experience include:
 - ❶ Independent Director of Norse Energy Corp. ASA (Oslo) and Petrojarl ASA (Oslo)
 - ❷ Partner & Equity Research Analyst, HQ Norden Securities (Oslo)
 - ❸ Vice President (M&A), Credit Suisse First Boston (New York)



Seasoned management team



M.L. Chandchutha Chandratat
Executive Chairman



David Simpson
Managing Director



Sataporn Amornvorapak
Chief Financial Officer

- 9 years experience at Pricewaterhouse Coopers ABAS Ltd. with last position as Audit Manager
- Former internal audit manager for Thoresen Thai Agencies Public Company Limited
- Certified Public Accountant (CPA), Thailand



Seasoned management team



Mark Shepherd
Executive Director
(Subsea Services)

- Over 20 years subsea engineering experience in Europe, West Africa and Asia
- Joined Mermaid in 1994
- Qualified Chartered Engineer



Simon Turner
General Manager
(Subsea Services)

- Over 20 years experience in underwater construction, inspection and maintenance
- Joined Mermaid in 2003
- Qualified Engineering Technician



Seasoned management team



Stephen Lenz
Executive Director
(Drilling)

- Over 25 years experience in drilling services
- Former experience include:
 - Australian Country Manager, Songa Pty. Ltd.
 - Rig Manager, Apexindo Pratamana
 - Various senior positions in Transocean Inc. including Operations Manager throughout Asia



Jeffery Breal
General Manager
(Drilling)

- Over 25 years experience in drilling services
- Former experience include:
 - Rig Manager, Apexindo Pratamana
 - Rig Manager, Transocean Inc.



Our people are our strength





Mermaid's subsea fleet



Scope of services

- Inspection, repair and maintenance
- Infrastructure installation (EPIC)
- Emergency call out services
- Salvage

Driven by

Field development commitments

Increase in deepwater activity

Expansion of existing infrastructure

Increased maintenance of ageing fields

M.V. Mermaid Commander

- DP2 Dive Support Vessel
- Twin Bell 16-Man Saturation System
- 60 Ton Capacity Crane
- Two Moonpools
- Proven Work History
- Rough Weather Capabilities





Mermaid's subsea fleet (cont'd)



M.V. Mermaid Performer

- 🚢 Survey / ROV / Dive Support Vessel
- 🚢 Proven Work History
- 🚢 Safety & Standby Vessel
- 🚢 Slow-Speed Manoeuvring Capability



M.V. Mermaid Responder

- 🚢 Dive / ROV Support Vessel
- 🚢 Air & Gas Diving System
- 🚢 Optional ROV Systems
- 🚢 4-Point Mooring Capability
- 🚢 Proven Work History





Mermaid's subsea fleet (cont'd)



M.V. Mermaid Supporter

- ❊ Air & Mix Gas Diving Support
- ❊ ROV & Survey Support
- ❊ Safety & Standby Vessel
- ❊ Hydrophone Moonpool
- ❊ Slow-Speed Manoeuvring Capability
- ❊ Built in Dive System



M.V. Mermaid Challenger

- ❊ Multi-Purpose Support Vessel
- ❊ 65 Ton Bollard Pull
- ❊ Fi-Fi 1 Rated
- ❊ DP1
- ❊ Joystick Control
- ❊ ROV & Survey Support





Mermaid's subsea fleet (cont'd)



M.V. Team Siam (Chartered)

- 🚢 DP2 Construction Support
- 🚢 Saturation Diving System
- 🚢 Central Moonpool
- 🚢 4 Point Mooring Capability
- 🚢 Heavy Lift Capability



M.V. Binh Minh (Chartered)

- 🚢 Survey / ROV / Dive Support Vessel
- 🚢 DP2
- 🚢 Proven Work History





Mermaid's drilling rigs



MTR-1

Present Location:	Indonesia
Client:	Hess Indonesia
Contract Utilization:	100%
Potential Earnings*:	USD 18 million
Contract Expires:	FQ4/2009



MTR-2

Present Location:	Indonesia
Client:	Chevron Indonesia
Contract Utilization:	100%
Potential Earnings*:	USD 28 million
Contract Expires:	FQ3/2010

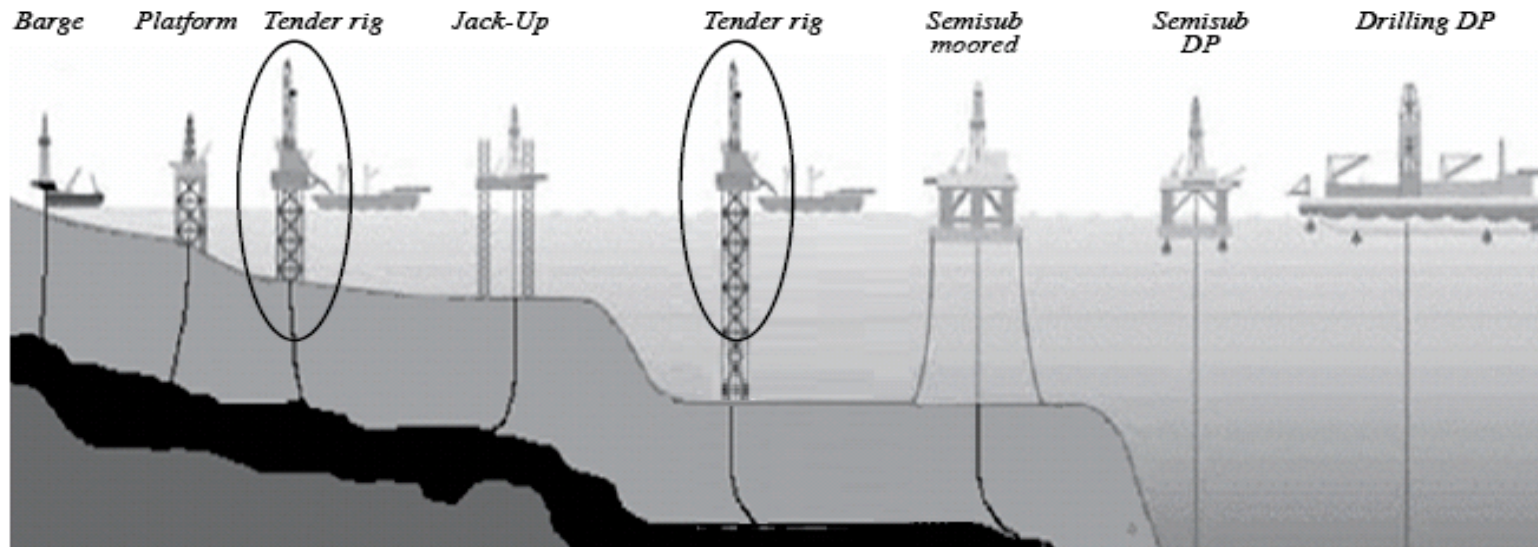
(* estimate only, based on 100% contract utilization for remaining contract period plus demobilization)



Tender drilling rigs ideally suited for South East Asia and West Africa conditions



Types of Drilling Units



- 35 tender rig units globally including under construction, mainly deployed in South East Asia and West Africa
- Available rigs operating at near full utilization. High level of activity to continue with industry consensus of at least another 1-3 years

(Source: Fearnleys)

- Cost-efficient production drilling
- Advantages over jackups:
 - Lower operating cost
 - No restriction with sub-sea congestion
 - Increased water depth capabilities



Fleet utilization rate



Offshore subsea vessels

2008	2007
86.07%	77.17%

Vessel utilization* generally high. Experienced expected lower utilization in FQ1/2009 with recovery expected in end of FQ2/2009.

Tender drilling rigs

2008	2007
69.13%	73.03%

Lower drilling rigs utilization** due to repair, refurbishment and upgrades completed in 2007-2008. Current rigs utilization rate is 100%.

* Utilization based on number of days on-hire including any planned off-hire days (e.g. routine maintenance/inspection, mobilization and demobilization).

** Utilization based on calendar days including any contractual allowance for maintenance time.



Newbuild deliveries



FQ4/2009



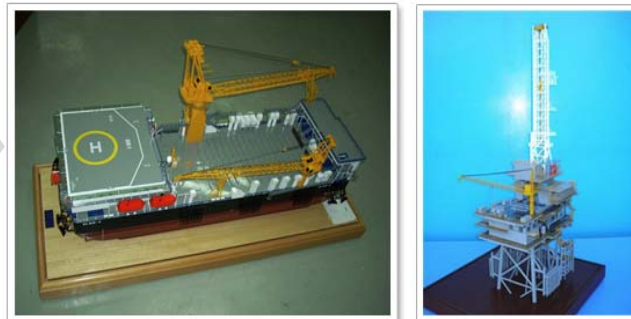
- M.V. 'Mermaid Asiana'
- DP2 DSV (Dive Support Vessel)
- 20% owned by Mermaid with 100% exclusive purchase option after 3rd year

FQ1/2010



- M.V. 'Mermaid Sapphire'
- DP2 ROV Support Vessel
- 100% owned by Mermaid

FQ1/2010



- 'KM-1'
- Tender assist drilling rig
- 75% owned by Mermaid
- 5 year contract award with Petronas

Future growth driven by additional asset investments

(Note: Mermaid's Financial Year ends on 30 September)



Newbuild construction updates



**M.V. Mermaid
Asiana**



**M.V. Mermaid
Sapphire**



**Tender Rig
KM-1**





2008 milestone achievements



★ Successful listing on SGX

★ Ordered newbuild tender rig 'KM-1'

★ Awarded BP Indonesia ROV and diving services contract

★ Ordered newbuild DP2 ROV vessel 'Mermaid Sapphire'

★ Acquired strategic stake in Allied Marine & Equipment (Petronas licensed company)

★ Acquired majority stake in Seascope Surveys to provide 'one-stop' subsea services

★ 'MTR-2' commenced drilling for Chevron in Thailand and Indonesia

★ Accepted delivery of new multi-purpose support vessel 'Mermaid Challenger'

★ Restructured drilling team to optimize efficiency and growth

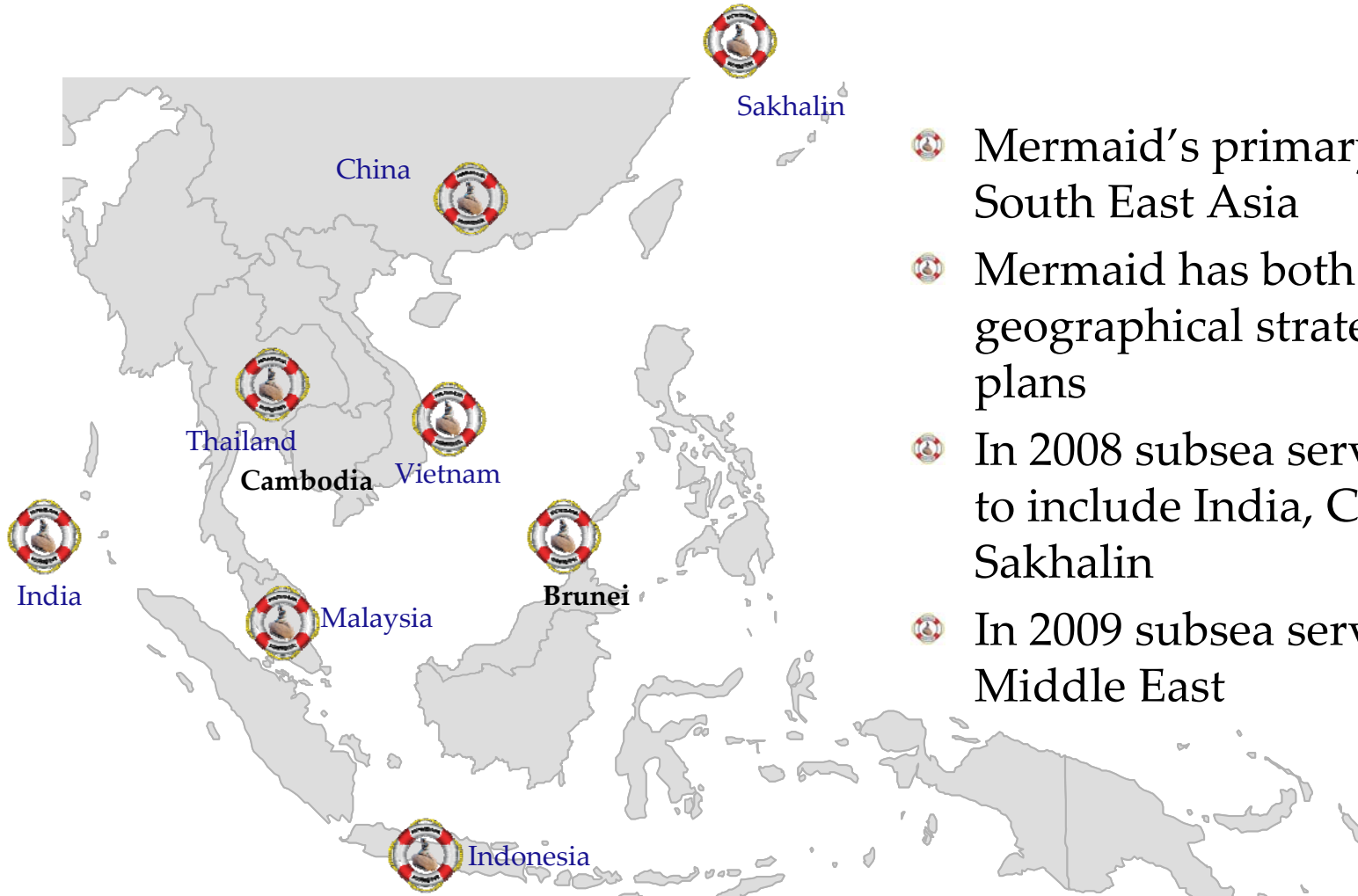
★ Awarded CUEL contract for sub-sea installation potentially up to 5 years

★ Awarded 5 year drilling contract (with options) for newbuild tender rig 'KM-1'

2008 was a year of focused strategic execution



High growth region with substantial opportunity for further expansion



- Mermaid's primary service area is South East Asia
- Mermaid has both client and geographical strategic expansion plans
- In 2008 subsea services expanded to include India, China and Sakhalin
- In 2009 subsea services added Middle East

Leveraging client relationships to expand geographically

OUTLOOK AND RECENT DEVELOPMENTS





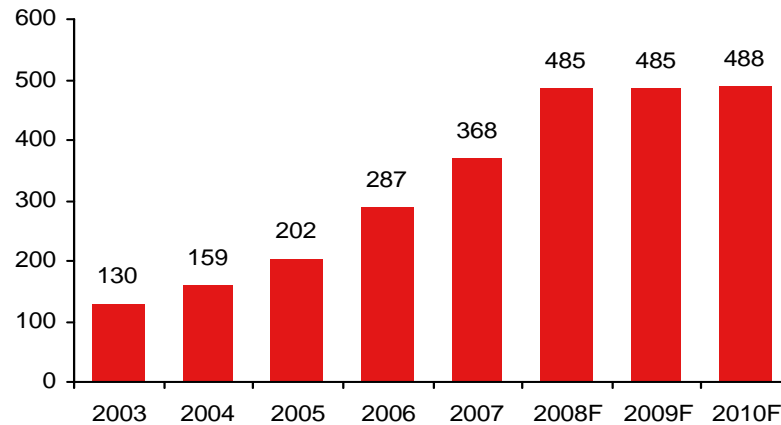
Capital expenditure outlook



Excess production capacity in OPEC countries



Capex for the top 100 listed O&G companies



- **Excess production capacity in OPEC countries continue to remain tight**
 - Unable to meet growing demand in the medium to long term
- **Oil and gas companies reconsidering exploration and production capex**
 - Market trends impacted in short term
 - Still need replacement of reserves
 - Aging infrastructure
 - Reinvestment of oil revenues
- **Investments of up to US\$21.4tr will have to be spent over the next 20 years to satisfy demand growth**
- **Demand for offshore related services expected to remain high**
 - Production drilling - particularly on marginal fields
 - Offshore repair and maintenance – expenditure to ensure continued operations of aging fields

Source: Broker and Analyst Reports

Market could be impacted in the short term



Offshore drilling and support



Planned fixed platforms globally

	Construction	Planned
Central and South America	15	16
Middle East	56	69
Northwest Europe	2	14
US-Gulf of Mexico	3	13
West Africa	15	36
Indian sub-continent	0	27
Southeast Asia	35	122
Australia and New Zealand	4	16
Total	130	313

- **Operators have been moving to deeper waters in search of larger finds for medium to long term growth**
 - However, a large amount of proven, undeveloped reserves are in shallow waters which will be developed in the short term
- **SEA continues to have the largest number of fixed platforms planned globally**
 - Indonesia has 49 planned projects which are <500 ft
 - Thailand has 45 platform projects <300 ft
- **Large opportunities exists for companies with an operating focus in Southeast Asia**
 - Construction
 - Commissioning
 - Repair and maintenance

Source: Broker and Analyst Reports

Companies with an operating focus in SEA are well positioned



Trends in the offshore services and drilling market



	Supply Factors	Demand Factors
Short term	<ul style="list-style-type: none">▪ Likely to remain tight due to difficulty in securing financing for newbuilds▪ Difficulties in raising financing has led to some newbuild cancellations	<ul style="list-style-type: none">▪ Latest tender rig fixtures now reported at US\$95K-115K/day. Reflects slight downward pressure on day rates for new fixtures▪ Continued demand expected: E&P project evaluation remains conservative
Medium term	<ul style="list-style-type: none">▪ Opportunity could exist for cashed-up companies to acquire assets at low valuations▪ Companies with operating experience will benefit most	<ul style="list-style-type: none">▪ Production supply constraints will continue to ensure spending on production and infrastructure▪ Operating projects will have continued needs for maintenance and drilling
Long term	<ul style="list-style-type: none">▪ Debt markets unlikely to remain closed for prolonged periods▪ Supply fundamentals will continue to rebalance as financing becomes available	<ul style="list-style-type: none">▪ As markets react to structural changes in oil prices, long term demand likely to be affected (delay less economical projects, closure of marginal oil fields)▪ But operating projects will still generally need maintenance and drilling

Source: Broker & Analyst Reports

The outlook for production drilling and offshore services continue to remain favourable in the medium to long term

FINANCIAL OVERVIEW

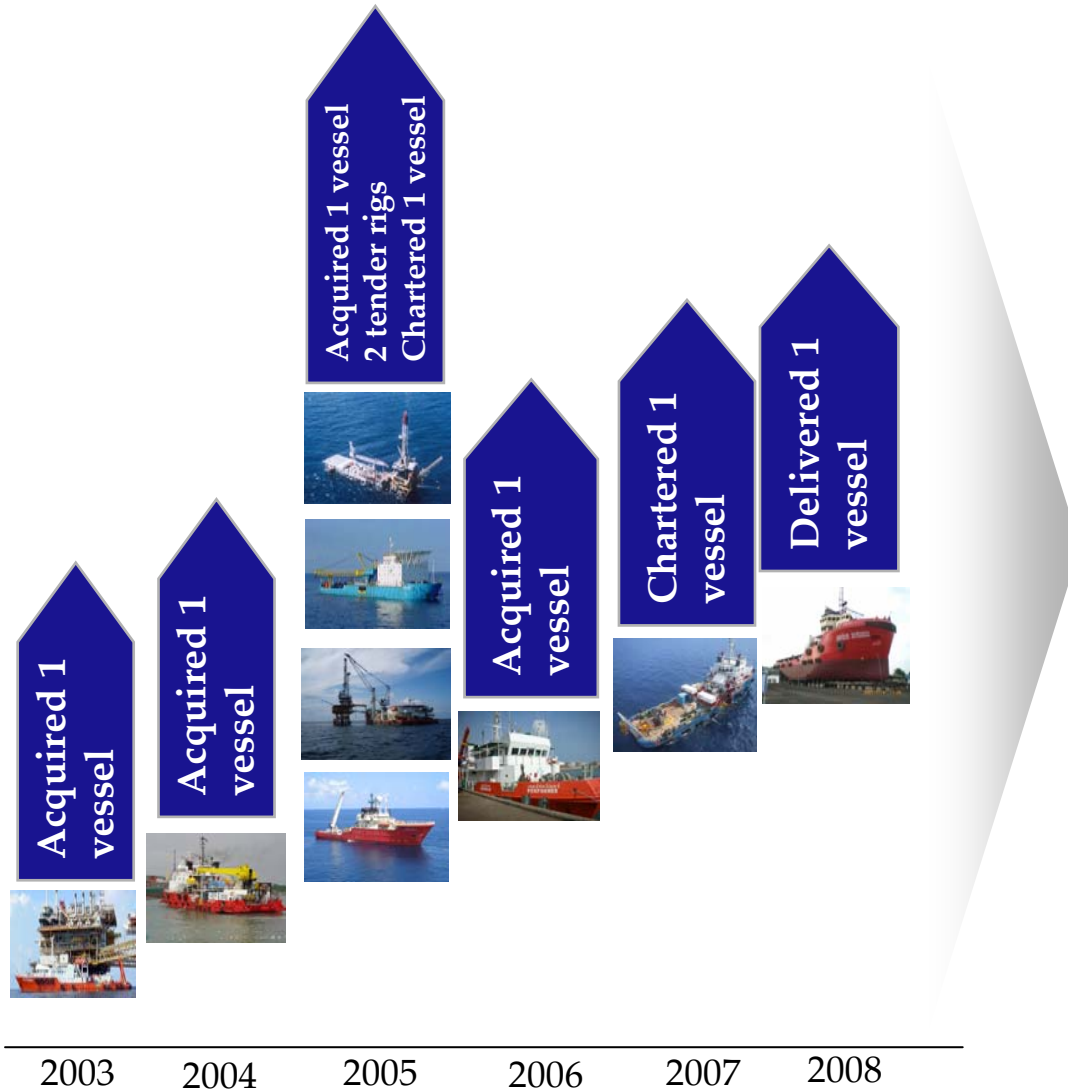




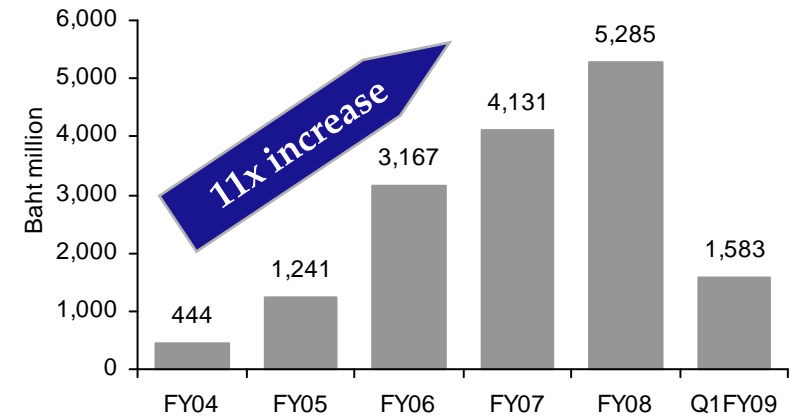
Growth with asset acquisitions



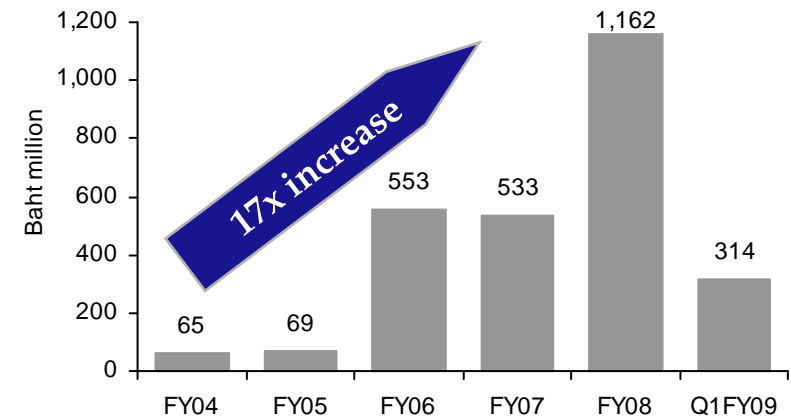
Increased capacity, utilization and charter/day rates have driven growth



Revenue



Net profit

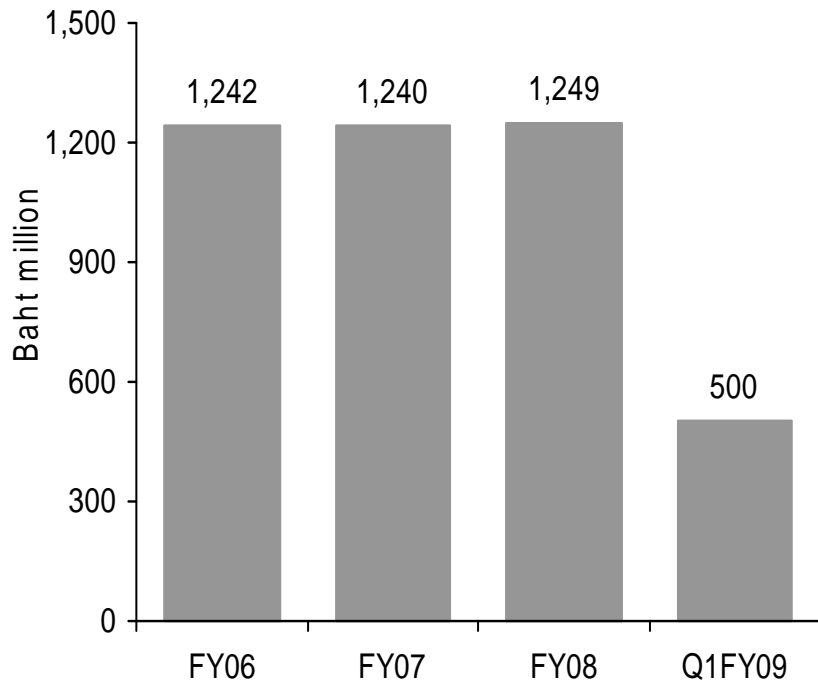




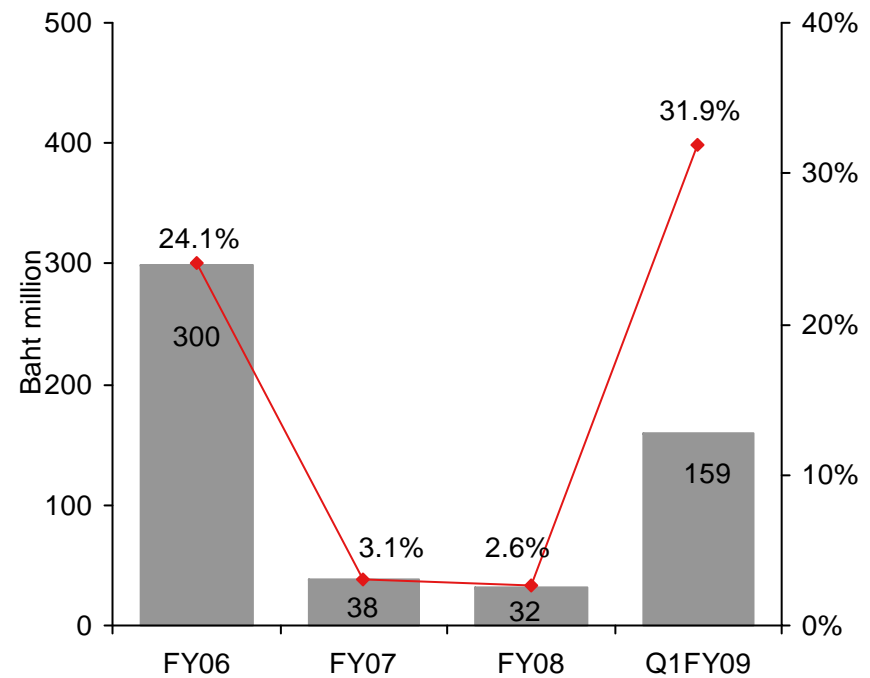
Drilling financial performance overcome



Sales



Operating profit and margin (EBIT excl. FOREX)⁽¹⁾



Notes: (1) FY07: MTR-1 returned to contract on FQ4/2007 after completing its repairs.

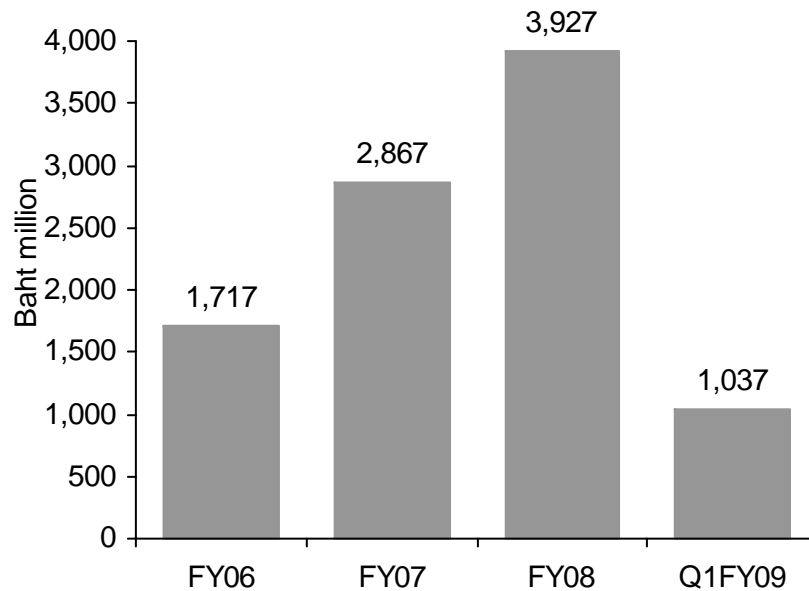
FY08: MTR-2 returned to contract on FQ3/2008 after completing its Special Periodic Survey (SPS) and upgrades.



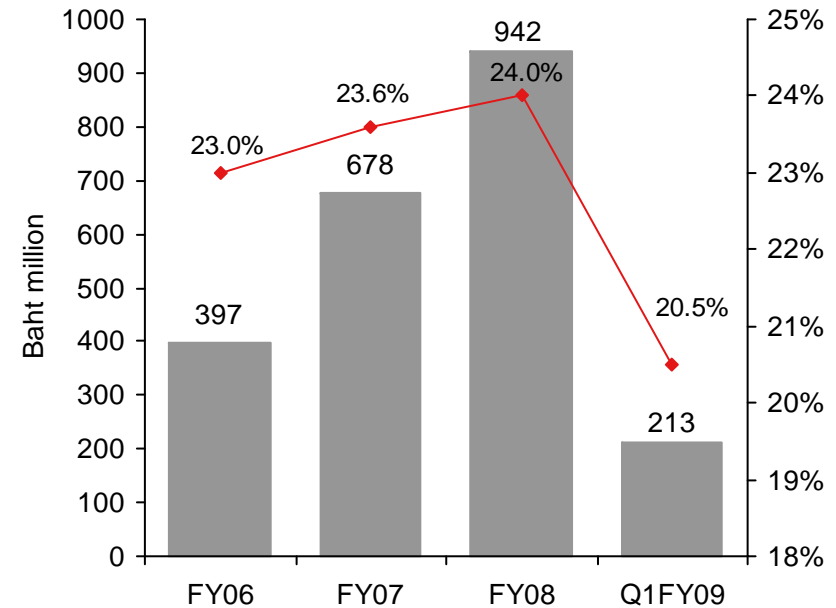
Subsea continues to deliver strong performance



Sales



Operating profit and margin (EBIT excl. FOREX)



Successful asset acquisition and integration has driven growth

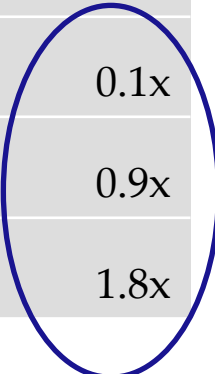


Strong balance sheet...



(Baht million)	FY06	FY07	FY08	Q1FY09
Shareholders' equity	2,385	2,895	9,674	10,307
Total debt	2,680	2,402	1,938	1,883
Cash and cash equivalents	185	512	2,874 ¹	2,564
Ratio analysis				
Total debt / equity	1.1x	0.8x	0.2x	0.1x
Total debt/ EBITDA	2.2x	1.9x	1.1x	0.9x
Total Debt/ operating cash flow	10.5x	2.7x	2.4x	1.8x

Healthy ratios ensures sufficient balance sheet capacity for future expansion



¹ Included short-term loans to related parties which were subsequently fully repaid in November 2008

...maintained through high growth phase



Investments



Ongoing Investments

- 🌀 DP2 ROV “Mermaid Sapphire”
- 🌀 Tender drilling rig “KM1”
- 🌀 Ultra deepwater ROVs

Potential Investments

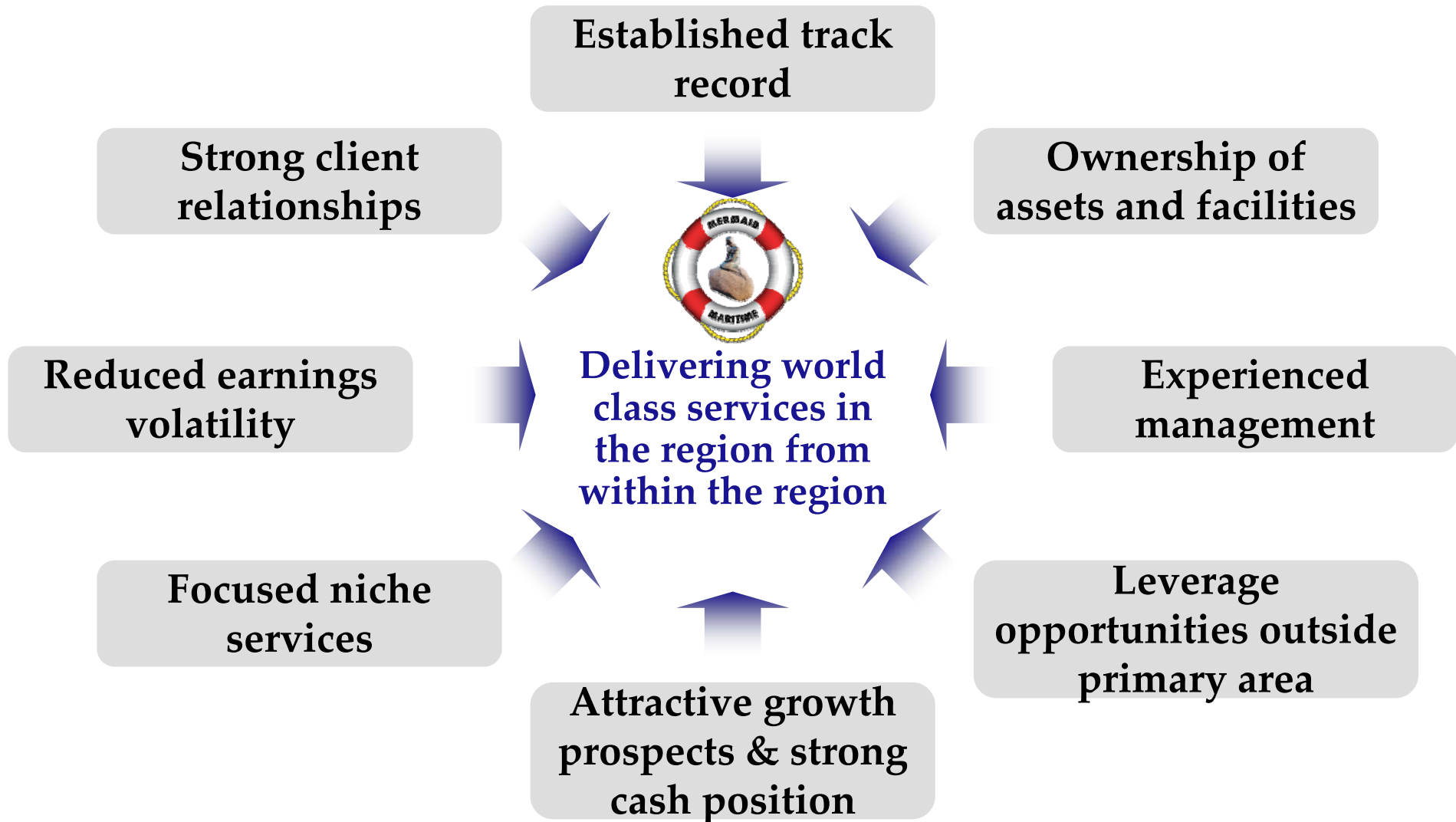
- 🌀 Purchase option on DP2 DSV “Mermaid Asiana”
- 🌀 Second tender drilling rig
- 🌀 Additional DP2 DSV
- 🌀 Other market opportunities (asset purchases, joint ventures, mergers & acquisitions, diversification etc.)

CONCLUSION





Mermaid is a leading offshore services provider





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