



MERMAID MARITIME PUBLIC COMPANY LIMITED

บริษัท เมอร์เมด 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

ACQUISITION OF 49 PERCENT INTEREST IN PTGC CO., LTD.

1. Introduction

- 1.1 Mermaid Maritime Public Company Limited ("Mermaid" and/or "Company") wishes to announce that the Company has entered into a Shares Sale and Purchase Agreement ("SPA") with Mr. Leng Kheang (the "Seller") for the purchase by Mermaid of 49 percent shares (the "Sale Shares") in PTGC Co., Ltd. ("PTGC"), a company incorporated in Cambodia (the "Acquisition").

2. Information on the Acquisition

2.1 Information on PTGC

PTGC is a company incorporated in Cambodia whose primary asset is legal and beneficial ownership of land in Phnom Penh, Cambodia (the "Property"). The Seller is a 100 percent owner of the total issued shares of PTGC prior to the entry into the SPA with Mermaid. Following the Acquisition, PTGC shall become an associated company of Mermaid.

2.2 Rationale for and Benefits of the Acquisition

The investment in PTGC is in line with the Company's treasury function to maintain a portfolio of suitable investments of its cash reserves whilst preserving its liquidity for business operations. This investment may also potentially provide a source of investment returns for the Company in the future given Cambodia's economic outlook. The Property has re-sale potential and residential and/or commercial development potential.

After taking into consideration other options available for cash management at this present time in this challenging oil and gas industry and the cost and benefits of the Acquisition, the Board considered that the Acquisition is in the best interest of the Company.



MERMAID MARITIME PUBLIC COMPANY LIMITED

บริษัท เมอร์เมด 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

3. **Principal Terms of the Acquisition**

- 3.1 The purchase consideration for the Sale Shares payable by Mermaid is USD 19,679,585.80 (the "Purchase Consideration"). The Purchase Consideration was arrived at on a "willing-buyer, willing-seller" basis after taking into account fair market valuation done on the Property by established valuation companies licensed by the Ministry of Economy and Finance in Cambodia and various commercial factors, including the prevailing market conditions and the location of the Property.
- 3.2 An independent valuation of the Property for the purposes of determining its fair market value was conducted by Lambda (Cambodia) Co., Ltd. on 12 December 2017 using the sale comparison method and Cozy Home Co., Ltd. on 19 December 2017 using the sale comparison method and the residual method.
- 3.3 Based on the valuation reports, the consideration paid by the Company for the Sale Shares, determined against its pro-rata interest in the Property, is within the range of fair market value.
- 3.4 The Purchase Consideration shall be funded by Mermaid's retained earnings. The Purchase Consideration shall be settled in cash, subject to and in accordance with the following: 56 percent upon execution of the SPA and 44 percent upon transfer of the Sale Shares and confirmation that all formalities to closing have been successfully completed.

4. **Financial Effects**

4.1 NTA per Share

For illustrative purposes only and assuming that the Acquisition had been completed on 31 December 2016, being the end of the most recently concluded financial year ("FY2016"), the pro forma financial effects of the Acquisition on the consolidated NTA of the Company for FY2016 will be as follows:



MERMAID MARITIME PUBLIC COMPANY LIMITED

บริษัท เมอร์เมด 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

| | Before completion of the Acquisition | After completion of the Acquisition |
|--|--------------------------------------|-------------------------------------|
| Consolidated NTA attributable to the shareholders of the Company (USD\$'000) | 335,952 | 335,952 |
| Number of shares (excluding treasury shares) ('000) | 1,413,329 | 1,413,329 |
| Consolidated NTA per share attributable to the shareholders of the Company (Singapore cents) | 0.342 | 0.342 |

4.2 Earnings per Share ("EPS")

For illustrative purposes only and assuming that the Acquisition had been completed on 1 January 2016, being the beginning of FY2016, the pro forma financial effects of the Acquisition on the consolidated EPS of the Company for FY2016 will be as follows:

| | Before completion of the Acquisition | After completion of the Acquisition |
|--|--------------------------------------|-------------------------------------|
| Profit attributable to the equity holders of the Company (USD\$'000) | 17,107 | 17,107 |
| Weighted average number of shares (excluding treasury shares) ('000) | 1,413,329 | 1,413,329 |
| Consolidated EPS (Singapore cents) | 0.017 | 0.017 |



MERMAID MARITIME PUBLIC COMPANY LIMITED

บริษัท เมอร์เมด 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

5. The Acquisition as a Discloseable Transaction

Based on the period of the latest announced audited consolidated financial statements of the Company being FY2016, the relative figures for the Acquisition ("Relative Figures") computed on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited ("SGX-ST") Mainboard Rules are as follows:

| | Acquisition (SGD) | Company (SGD) | Relative Figures (%) |
|---|---|--|---|
| Rule 1006 (a) The net asset value of the assets to be disposed of, compared with the Group's net asset value. | Not applicable | Not applicable | Not applicable |
| Rule 1006 (b) Net profits attributable to the assets acquired, compared with the Group's net profits. | Not applicable as there is no profit or loss attributable to the Sale Shares. | Not applicable as there is no profit or loss attributable to the Sale Shares | Not applicable as there is no profit or loss attributable to the Sale Shares. |
| Rule 1006 (c) The aggregate value of the consideration given or received, compared with the issuer's market capitalisation as at 19 December 2017. | 26,370,644.97 | 173,839,449.41 | 15.17 |
| Rule 1006 (d) The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue. | Not applicable | Not applicable | Not applicable |



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

| | | | |
|---|----------------|----------------|----------------|
| Rule 1006 (e) The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas asset by a mineral, oil and gas company, but to an acquisition of such assets. | Not applicable | Not applicable | Not applicable |
|---|----------------|----------------|----------------|

The market capitalisation of the Company of approximately SGD 173,839,449.41 (equivalent to USD 129,730,932.40 as per exchange rate of DBS Bank Ex. USD 1 = SGD 1.34 on 19 December 2017) is determined by multiplying 1,413,328,857 shares of the Company in issue by the volume weighted average price of SGD 0.123 of such shares transacted as at 19 December 2017, being the market day of the Acquisition.

As the relative figure calculated under Rule 1006 (c) of the Mainboard Rules exceeds 5 percent but is less than 20 percent, the Acquisition constitutes a "Discloseable Transaction" as defined under Chapter 10 of the Mainboard Rules.

6. Interests of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition.

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



MERMAID MARITIME PUBLIC COMPANY LIMITED

บริษัท เมอร์เมด 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

7. Documents for Inspection

A copy of the SPA and valuation reports shall be available for inspection during normal business hours at the Company's registered office at 26/28-29 Orakarn Building 9th Fl., Soi Chidlom, Ploenchit Road, Lumpinee, Pathumwan, Bangkok 10330 Thailand for three (3) months from the date hereof.

Please be informed accordingly.

Wuthichai Chongcharoenrungsot

Company Secretary

20 October 2017