



MERMAID MARITIME PUBLIC COMPANY LIMITED

บริษัท เมอร์เมต มารีไทม 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

**CLARIFICATION IN RELATION TO EARLIER ANNOUNCEMENT AND
RESPONSE TO QUERIES FROM THE SGX**

Mermaid Maritime Public Company Limited (“**Mermaid**” or the “**Company**”) makes reference to its previous announcement dated the 11th of April 2022 (the “**Earlier Announcement**”) in relation to Mermaid’s Annual Report 2021.

Mermaid also makes reference to queries received from the Listing Compliance Office of the Singapore Stock Exchange (“**SGX**”) received by Mermaid on Monday the 25th of April 2022 in relation to the Code of Corporate Governance 2018 (the “**Code**”).

In response to those queries, the Company has released this clarification announcement.

Query/Request (i) (a)

If the Company has not complied with Provision 2.2 of the Code, please explain its reason(s) for varying from Provision 2.2 of the Code. Please also explain and explicitly state whether the practices it has adopted are consistent with the intent of Principle 2 of the Code.

Company’s Response to Query/Request (i) (a):

Although the Company is aware that pursuant to Guideline 2.2 of the Code, where the Chairman is not an Independent Director, Independent Directors should make a majority of the Board, the Company and/or the Nomination Committee genuinely believes that members of the Board of Directors still carry out their duties in consistent with the philosophy of this Provision 2.2. As a result, the Company follows Clause 8 of “Comply or explain” Chapter of the Code, and views that the Company could claim that the Company complies with Provision 2.2. Please refer to the Company’s explanation on page 24 where we specified as follow:

“The Chairman is not an Independent Director. Pursuant to Guideline 2.2 of the Code, where the Chairman is not an Independent Director, Independent Directors should make a majority of the Board. The Nomination Committee considers that there remains a strong and independent element on the Board notwithstanding the Chairman not being an Independent Director as at 31 December 2021.”



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Query/Request (i) (b)

With reference to page 24 of the annual report, please explain whether and how the Company has complied with Provision 2.4 of the Code. If the Company has not complied with Provision 2.4 of the Code, please explain its reason(s) for varying from Provision 2.4 of the Code. Please also explain and explicitly state whether the practices it has adopted are consistent with the intent of Principle 2 of the Code.

Company's Response to Query/Request (i) (b):

The Company adopted and followed the Provision 2.4 of the Code that is why the Company clearly specified on page 24 of its Annual Report 2021 that *"The Company is committed to building a diverse, inclusive and collaborative culture. The Company recognizes and embraces the benefits of diversity on the Board, and views diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In reviewing the Board composition and appointments, the Nomination Committee takes into consideration diversity of skills, experience, background, gender, age, ethnicity and other relevant factors although merit remains the key driver."*

Query/Request (ii)

Please address whether and how the Company has complied with Listing Rule 1207(18B)(d), which requires the Company's explanation on it has complied with the requirement that the Audit Committee is responsible for the oversight and monitoring of whistleblowing.

Company's Response to Query/Request (ii):

The Company has issued and announced its Whistleblowing Policy (the "**Policy**") and Audit Committee Charter (the "**AC Charter**") since June 2012. Under the Whistleblowing Policy dated 19th June 2012, Clause 9 can be read as follow:

9. *How The Group Will Respond*

The Group assures you that any concern raised or information provided will be investigated, but consideration will be given to these factors:

- *Severity of the issue raised*
- *Credibility of the concern or information*
- *Likelihood of confirming the concern or information from attributable sources*



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Depending on the nature of the concern raised or information provided, the investigation may be conducted involving one or more of these persons or entities:

- *The Audit Committee*
- *The External or Internal Auditor*
- *Forensic Professionals*
- *The Police Station*

While the Policy clearly indicates the involvement of the Audit Committee as stated above, on page 6 of the AC Charter, it specifies the duty of the Audit Committee as the following:

“Whistleblowing

The AC shall seek to satisfy itself that there are proper arrangements in place for employees to raise concerns about possible improprieties in matters of financial reporting or other matters. The AC would need to ensure that there are appropriate arrangements for an independent investigation and follow up on the concerns raised.”

Query/Request in the last paragraph concerning the Auditor(s) of the Company

Please address whether the audit partners, namely Mr. Veerachai Ratanajaratkul, Ms. Siripen Sukcharoenyingyong, Mr. Watchara Pattarapitak and Mr. Piyanat Singkhorn, have been in charge of more than 5 consecutive audits for a full financial year on the Company.

Company’s Response to Query/Request concerning the Auditor(s) of the Company:

Please be informed that only Ms. Siripen Sukcharoenyingyong has been the auditor for the Company for past three (3) years (2019, 2020, and 2021).

Please be informed accordingly.

Kanes Supyaboonrod

Company Secretary

28 April 2022