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RISING MID-CAP PERFORMERS 2014

SHIFTING TO A HIGHER GEAR IN SUBSEA & OFFSHORE DRILLING SERVICES



Famed filmmaker James Cameron dreamed of a journey to the deepest part of the ocean and his childhood dream, chronicled in the movie DEEPSEA CHALLENGE, was accomplished with a little assistance from subsea specialist Mermaid Maritime Plc. ("Mermaid Maritime" or "the Group").

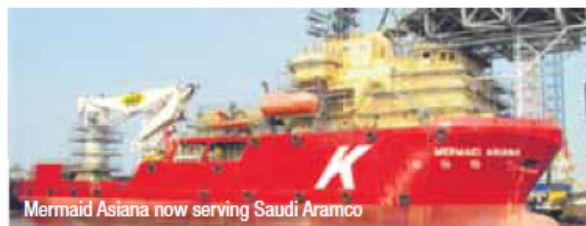
No stranger to the deep sea activities, Mermaid Maritime is one of the world's largest oil and gas diving services companies and it has been serving some of the world's largest oil and gas-related companies for more than 30 years and today offers a full range of subsea services and tender rig drilling services.

Listed on the mainboard of the Singapore Exchange, Mermaid Maritime has firmly established itself as a leading international specialist subsea and offshore drilling services company with a client-supportive approach, high safety standards and premier quality services.

Supported by its highly competent team of more than 1000 skilled divers, crew, technicians and support service providers, the Group operates in 5 key oil & gas regions with a diversified portfolio of subsea vessels and drilling rigs.



Subsea diver at work



Quality "Blue-Chip" Customer Base with Clear Earnings Visibility

With a strong operating track record, Mermaid Maritime has developed a strong client base, which includes BP, Shell, Exxon Mobil PTTEP, Qatar Petroleum, Saudi Aramco, Chevron and Pertamina, with more than 90% of revenue coming from repeat customers.

Strong group order book of over USD 450 million

Emphasizing on achieving high vessel utilization, while at the same time, focusing on value, Mermaid Maritime has seen a stable demand for its subsea vessels and related services as evidenced by longer contract awards secured as well as ongoing additional requirements from both existing and new customers in growth areas e.g. South East Asia, the Middle East and the North Sea.

Record Profits

For FY2014, the Group delivered its best 1st, 2nd and 3rd quarterly financial results over the past five years. Cumulative net profits of USD\$31.5 million during these first 9 months of FY2014 have already eclipsed previous full year net profits of USD\$ 15.4 million in FY2013.

**Dividends in the past two years have been
25% or higher of net profits**

Catalysts for Growth

With oil and gas still dominating the growing energy market in the long term, the demand for offshore drilling and subsea services will provide sustainable and opportunistic growth.

Particularly, in the global tender rig market, the industry utilisation rate is traditionally above 90% with newer tender rigs operating at close to 100% utilisation rate. The preference for tender rigs by oil & gas majors is evidenced by the tender rigs' production drilling capabilities, cost-effectiveness and versatility in any seabed condition.

And recognising that more than 50% of the global fleet of tender rigs are more than 30 years old, Mermaid Maritime has ventured into this niche market with a fleet of new and young tender rigs. As older tender rigs are retired and phased out, the replacement demand and growing demand for tender rigs will likely translate to longer term contracts and higher earnings.

Forging ahead, Mermaid Maritime is one step closer to its vision as a premium service provider in the oil and gas services business and to consistently deliver enhanced returns to shareholders.

Recommendation from Stock Brokerages

*"The stock remains a value proposition" –
CIMB, 13 August 2014 with recommendation to ADD
and target price SGD 0.53.*

*"Stock price underperformance is an opportunity to
accumulate as Mermaid's turnaround is intact." –
Maybank Kim Eng, 14 August 2014 with recommendation
to BUY and target price SGD 0.60.*