

## DIVESTMENT

## Swim with a Mermaid

*UOB hums with joy as it divests from Mermaid Maritime*

In its investment with Mermaid Maritime Ltd., it has been a short and yet blissful swim for **UOB Venture Management Pte Ltd.** ('UOBVM'). After a holding period of 18-months, the Singapore-based private equity firm has divested its holdings in Mermaid Maritime, reporting an 87% internal rate of return.

In April 2005, UOBVM joined Thailand Equity Fund, which is managed by the San Francisco-based **Lombard Investments, Inc.**, and injected an approximate US\$16.68 million into the marine services operator. The investment was made through the ASEAN China Fund. It was also part of the Baht 1.1 billion (US\$27 million) fund raising exercise then undertaken by Mermaid Maritime.

According to a statement released by UOBVM, its entry price for the 4.2 million shares that it purchased back in April 2005 was Baht60 each. At its recent exit, the shares were sold to by Thoresen Chartering (HK) Ltd., a subsidiary of Thoresen Thai Agencies plc, for Baht150 each. UOBVM

recorded clocking a gain of some US\$10.29 million.

Despite being the earliest private equity investors in Mermaid Maritime, Thailand Equity Fund did not join UOBVM in paring down its holdings in company and continues to and continues to retain a 22% equity stake in the company.

Thailand Equity began its swim with Mermaid Maritime in June 2004 when it took up a 17% equity stake in the company. Since then, it has increased its shareholding twice to become a 22% equity holder of Mermaid Maritime.

Formed in 1982, Mermaid Maritime is one of the leading marine safety and offshore sub-sea-engineering businesses in Thailand. A subsidiary of Thoresen Thai

Agencies plc, its association with private equity investors began in June 2004, when it received Baht204 million or US\$5.2 million, from Thailand Equity Fund.

Despite having parted with a portion of its holding to private equity investors earlier, Thoresen Thai Agencies plc has consistently maintained a majority equity position in Mermaid Maritime. At the end of June this year, before taking up China ASEAN Fund's holdings in Mermaid Maritime, Thoresen Thai Agencies plc's holdings in the company was 63.1%. The most recent purchase will further increase its equity stake in Mermaid Maritime to 73.97%, indicating the parent company's optimistic assessment on the future prospect of Mermaid Maritime ■

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■ Epure International, which recently received a US\$10 million capital injection from **International Finance Corp.** ('IFC') was listed in early October. It offered 100 million new shares at a price of S\$0.65 (US\$0.41) apiece. At its debut, Epure's share price rose by 13% to close at S\$0.75.

In August this year, the IFC took up a 13.4% equity stake in Epure. The

world's largest multilateral organisation did not divest any of its shares at the company's public offering.

Epure is a turnkey water and wastewater treatment solutions provider in China. At the end of December 2005, its revenues stood at 380.07 million yuan (US\$46.35 million), with a net income of 84.10 million yuan. Its assets were 435.84 million yuan while its total liabilities were 225.11 million yuan.



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