



## **Mermaid Maritime Public Company Limited**

**บริษัท เมอร์เมด มารีไทม์ จำกัด (มหาชน)**

(Reg. No. 0107550000017)

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### **ADDITIONAL INFORMATION TO THE ANNUAL REPORT**

#### **FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2007**

Reference is made to the Annual Report for the financial year ended 30 September 2007 ("Annual Report") of Mermaid Maritime Public Company Limited ("Company") as released via SGXNET on 14 January 2008. The following additional information to the Annual Report should be noted:

#### **1. A reconciliation of difference between Thai GAAP to IFRS.**

The consolidated and Company financial statements presented in the Annual Report were prepared in accordance with Generally Accepted Accounting Principles in Thailand ("Thai GAAP").

The significant differences between Thai GAAP and International Financial Reporting Standards ("IFRS") relevant to the Company comprise IAS 12: Income Taxes, IAS 16: Property, Plant and Equipment, IAS 18: Revenue (in relation to revenue recognition of mobilisation fee), IAS 19: Employee Benefits and IAS 21: The Effects of Changes in Foreign Exchange Rates.

The consolidated and Company financial statements in the Annual Report applied IAS 12, IAS 16, IAS 18, and IAS 19. IAS 21 was not applied as the Company had received a waiver on IAS 21 from the Singapore Exchange Limited.

Taking into consideration the above, the significant differences between Thai GAAP and IFRS is therefore as follows:

#### IAS21: The Effects of Changes in Foreign Exchange Rates

Thai GAAP does not require a determination of the functional currency (the currency of the primary economic environment in which the entity operates). The measurement currency presented in the Thai GAAP financial statements were therefore made in local currency.

However, IFRS requires each individual entity included in the reporting entity to determine its functional currency and measure its results and financial position in that currency.

Because the functional currency of the Company's subsidiaries (which comprise Mermaid Offshore Services Ltd., Darium Thai Offshore Ltd., MTR-1 Ltd., MTR-2 Ltd. and Mermaid Drilling (Malaysia) Sdn. Bhd.) is in US Dollars, accounting records need to be measured in the functional currency. This will affect all balance sheet and income statement line items.

The net effect on the reconciliation on the consolidated income statement and balance sheet of the Company for the financial years that ended 30 September 2007 and 30 September 2006 are summarised as follows:

	Net effects on Consolidated Income Statement for the year that ended on 30 September 2007		
	Thai GAAP	IFRS	Increased (Decreased)
	Million Baht	Million Baht	Million Baht
Total sales and service income	4,131.27	4,131.43	0.16
Total cost of sales and service income	2,814.67	2,761.68	(52.99)
Service and administrative expenses	729.97	730.57	0.60
Operating profit (loss)	727.37	708.65	(18.72)
Net profit for year	541.08	495.07	(46.01)
Depreciation expense which is included in total cost of sales and service and service and administrative expense based on nature	507.46	454.46	(53.00)

	Net effects on Consolidated Balance Sheet as at 30 September 2007		
	Thai GAAP	IFRS	Increased (Decreased)
	Million Baht	Million Baht	Million Baht
Total current assets	1,818.66	1,810.60	(8.06)
Total non-current assets	4,127.07	3,608.32	(518.75)
Total current liabilities	1,268.78	1,263.66	(5.12)
Total non-current liabilities	1,781.92	1,781.86	(0.06)

	Net effects on Consolidated Income Statement for the year that ended on 30 September 2006		
	Thai GAAP (Restated)	IFRS	Increased (Decreased)
	Million Baht	Million Baht	Million Baht
Total sales and service income	3,167.36	3,168.00	0.64
Total cost of sales and service income	2,166.73	2,154.09	(12.64)
Service and administrative expenses	422.70	431.69	8.99
Operating profit (loss)	768.90	603.24	(165.66)
Net profit for year	538.34	375.00	(163.34)
Depreciation expense which is included in total cost of sales and service and service and administrative expense based on nature	443.65	426.18	(17.47)

	Net effects on Consolidated Balance Sheet as at 30 September 2006		
	Thai GAAP (Restated)	IFRS	Increased (Decreased)
	Million Baht	Million Baht	Million Baht
Total current assets	1,370.88	1,363.65	(7.23)
Total non-current assets	4,124.16	3,814.07	(310.09)
Total current liabilities	887.23	881.51	(5.72)
Total non-current liabilities	2,222.44	2,222.35	(0.09)

(Note: All of the information contained above was also announced by the Company via SGXNET on 15 November 2007 at Item No. 17 of the consolidated financial statements of the Company for the financial year ended 30 September 2007).

**2. Date of appointment and name of audit partner in charge of auditing the consolidated and Company financial statements.**

Ms. Anothai Leekitwattana, Certified Public Accountant (Thailand) No. 3442 of PricewaterhouseCoopers ABAS Limited, was the audit partner in charge of auditing the consolidated and Company financial statements for the financial year ended 30 September 2007. She was appointed on 31 January 2007 at the Annual General Meeting of Shareholders of the Company (AGM No. 01/2007).

Please be informed accordingly.

Vincent Siaw  
Company Secretary  
28 January, 2008

Macquarie Securities (Singapore) Pte Limited was the Sole Global Coordinator, Bookrunner and Underwriter for, and Macquarie Securities (Asia) Pte Limited was the Issue Manager for, the initial public offering of the Company. This announcement has been prepared and released by the Company.

**About Mermaid**

Mermaid Maritime Public Company Limited (“Mermaid” or the “Company”) is a leading provider of drilling and sub-sea engineering services for the oil and gas industry in South East Asia. Over the last five years, the Company has grown significantly in the areas of sub-sea engineering, and more recently, drilling services for the offshore oil and gas industry as well as in training and technical services. Mermaid has established itself as a company recognized by the industry for high quality services, delivered safely and efficiently. The Company has developed a strong blue chip client base that includes some of the world’s largest oil and gas-related companies. The Company operates throughout South East Asia, particularly in Thailand, Indonesia, Malaysia and Vietnam.

Mermaid provides drilling services through its majority-owned (95%) subsidiary, Mermaid Drilling Ltd. (“MDL”) which currently has two tender rigs. The Company provides sub-sea engineering services through its wholly owned subsidiary, Mermaid Offshore Services Ltd. (“MOS”). MOS provides sub-sea inspection, repair and maintenance services, light construction services and emergency repair and call out services in South East Asia. MOS’ fleet consists of four vessels which it owns, in addition to one dynamic positioning construction vessel and one remotely operated vehicle (“ROV”)/air dive support vessel, both of which it charters. In addition, MOS owns one portable saturation diving system, seven air diving systems and seven ROVs.