

CIRCULAR DATED 22 SEPTEMBER 2009

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about this Circular or as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares with a par value of Baht 1 each ("Shares") in the capital of Mermaid Maritime Public Company Limited (the "Company"), you should immediately hand this Circular, the Notice of Extraordinary General Meeting of Shareholders No. 01/2009 and the enclosed proxy form and voting instruction form to the purchaser or the transferee or the bank, stockbroker, or agent through whom you effected the sale or transfer for transmission to the purchaser or the transferee.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing of and quotation for the Rights Shares (as defined below) on the Main Board of the SGX-ST, subject to certain conditions. The Rights Shares will be admitted to the Official List of the SGX-ST and official quotation will commence after all conditions imposed by the SGX-ST are satisfied, the certificates for the Rights Shares have been issued and the notification letters from The Central Depository (Pte) Limited ("CDP") have been despatched. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular. Approval in-principle granted by the SGX-ST for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue (as defined herein), the Company, its subsidiaries, the Shares, the Rights Shares or the Rights (as defined herein).

The Rights Issue is subject to the receipt of approval from the Office of the Securities and Exchange Commission of Thailand.

This Circular is not an offer of securities for sale in the United States of America ("U.S."). The Rights and the Rights Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state of the U.S. and, accordingly, they may not be offered, sold, resold, granted, exercised, allotted, taken up, renounced, pledged, transferred or delivered, directly or indirectly, in or into the U.S. or to U.S. persons, except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws.

The Rights and the Rights Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Rights Issue or the accuracy or adequacy of this Circular. Any representation to the contrary is a criminal offence in the United States.

This Circular shall not constitute an offer to sell or a solicitation of an offer to buy shares nor shall there be any sale of any shares in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. This Circular is issued to Shareholders (as defined herein) solely for the purpose of convening the EGM (as defined herein) and seeking their approval for the resolutions to be considered at such meeting. Shareholders are authorised to use this Circular solely for the purpose of considering the approvals sought. Persons to whom a copy of this Circular has been issued shall not circulate to any other person, reproduce or otherwise distribute this Circular or any information herein for any purpose whatsoever nor permit or cause the same to occur.

The distribution of this Circular and/or the transfer of the Rights and the Rights Shares into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this Circular comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.



MERMAID MARITIME PUBLIC COMPANY LIMITED
(Registered in the Kingdom of Thailand as a Company with Limited Liability)

(Registration Number. 0107550000017)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) THE PROPOSED ADOPTION OF THE MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS NO. 01/2009 HELD ON 29 JANUARY 2009;
- (2) THE PROPOSED REDUCTION IN THE REGISTERED CAPITAL OF THE COMPANY (THE "REGISTERED CAPITAL") AND THE AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY;
- (3) THE PROPOSED INCREASE IN THE REGISTERED CAPITAL AND THE AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY;
- (4) THE PROPOSED ALLOCATION OF 243,542,403 RIGHTS SHARES FROM THE INCREASE IN THE REGISTERED CAPITAL FOR OFFERING TO REGISTERED SHAREHOLDERS (AS DEFINED HEREIN) UNDER THE RIGHTS ISSUE (AS DEFINED HEREIN);
- (5) THE PROPOSED PREFERENTIAL ALLOTMENT OF EXCESS RIGHTS SHARES (AS DEFINED HEREIN) TO THE THAI SHAREHOLDERS (AS DEFINED HEREIN);
- (6) THE PROPOSED ALLOTMENT OF THE REMAINING EXCESS RIGHTS SHARES (AS DEFINED HEREIN);
- (7) THE PROPOSED UNDERWRITING OF THE RIGHTS ISSUE BY MERRILL LYNCH (SINGAPORE) PTE. LTD., THE SUB-UNDERWRITING BY SOLEADO (AS DEFINED HEREIN), AND THE ALLOTMENT OF THE UNSUBSCRIBED RIGHTS SHARES (AS DEFINED HEREIN);
- (8) THE PROPOSED GRANT OF AUTHORITY TO THE BOARD (AS DEFINED HEREIN), AUTHORISED DIRECTORS OR OTHER DELEGATES OF THE BOARD IN CONNECTION WITH THE RIGHTS ISSUE; AND
- (9) THE PROPOSED ALLOCATION OF NEW SHARES FROM THE INCREASE IN THE REGISTERED CAPITAL TO PROVIDE FOR THE ADJUSTMENTS TO THE OPTIONS (AS DEFINED HEREIN) UNDER THE ESOP 2008 (AS DEFINED HEREIN) AND FOR DISTRIBUTION UNDER THE ESOP 2009 (AS DEFINED HEREIN).

BofA Merrill Lynch

Manager and Underwriter for the Rights Issue

IMPORTANT DATES AND TIMES

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| Last date and time for the lodgment of the voting instruction form | : 7 October 2009 at 5.00 p.m. |
| Last date for the return of proxy form | : Delivered to the chairman of the EGM or a person entrusted by the chairman of the EGM prior to attending the EGM |
| Date and time of EGM | : 14 October 2009 at 10.00 a.m. (Bangkok time) |
| Place of EGM | : Please refer to the Notice of EGM (as defined herein). |

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “**3Q**” : The financial period for the nine months ended 30 June
- “**Adjustments to the Options**” : The adjustments to be made to the Options in accordance with the Rules of the ESOP 2008 in connection with the Rights Issue
- “**ARE**” : Application and acceptance form for Rights Shares and Excess Rights Shares to be issued to an Entitled Depositor setting out the allotment of Rights of such Entitled Depositor under the Rights Issue
- “**ARS**” : Application and acceptance form for Rights Shares to be issued to Entitled Purchasers in respect of the Rights purchased by them on the Main Board of the SGX-ST through the book-entry (scripless) settlement system
- “**ATM**” : Automated teller machine
- “**Audited Financial Statements**” : The audited financial statements of the Company and the Group as of and for the financial years ended 30 September 2006, 30 September 2007 and 30 September 2008
- “**Balance Rights Shares**” : 104,379,332 Rights Shares, being the total number of Rights Shares less the Pro Rata Shares
- “**Board**” : The Board of Directors of the Company
- “**Books Closure Date**” : 5.00 p.m. on 27 October 2009 (or such other time and date as the Directors may determine), being the time and date at and on which, subject to the approval of the Rights Issue being obtained at the EGM and the approval of the Office of the SEC, the Register of Shareholders and the Depository Register maintained by CDP will be closed to determine the Rights of Shareholders under the Rights Issue
- “**CDP**” : The Central Depository (Pte) Limited
- “**Circular**” : This circular to Shareholders dated 22 September 2009
- “**Closing Date**” : The last time and date for acceptance of and payment for Rights Shares and/or application and payment for Excess Rights Shares under the Rights Issue through CDP, the Share Transfer Agent or an ATM of a participating bank
- “**Companies Act**” : The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
- “**Company**” : Mermaid Maritime Public Company Limited
- “**Directors**” : The directors of the Company as at the date of this Circular, and **Director** means any one of them
- “**EGM**” : Extraordinary general meeting of the Company No. 01/2009 to be held on 14 October 2009
- “**Entitled Depositors**” : Depositors with Shares standing to the credit of their Securities Accounts as at the Books Closure Date whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, other than, subject to certain exceptions, Shareholders with a registered address in the United States or who are U.S. persons (as defined in Regulation S under the Securities Act), or who are otherwise located, resident or with a registered address in any jurisdiction in which the offering of Rights and Rights Shares may not be lawfully made

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| “Entitled Purchasers” | : Persons purchasing the Rights traded on the Main Board of the SGX-ST through the book-entry (scripless) settlement system during the rights trading period whose registered addresses with CDP are in Singapore at the time of purchase |
| “ESOP 2008” | : The employee stock option plan of the Company approved by Shareholders on 11 July 2007 |
| “ESOP 2009” | : The employee share option plan of the Company approved by Shareholders on 29 January 2009 |
| “Excess Rights Shares” | : The Rights Shares represented by the Rights not accepted, taken up or allotted for any reason and the fractional Rights not allotted in accordance with the terms of the Rights Issue |
| “FBA” | : The Foreign Business Act B.E. 2542 (1999) of Thailand |
| “FY” | : Financial year ended 30 September |
| “Group” | : The Company and its subsidiaries |
| “IFRS” | : International Financial Reporting Standards |
| “Increase in Registered Capital” | : The proposed increase of the Registered Capital in connection with the Rights Issue, the Adjustments to the Options and the ESOP 2009 |
| “Issue Price” | : The issue price for each Rights Share being S\$0.64 |
| “Latest Practicable Date” | : 15 September 2009, being the latest practicable date prior to the printing of this Circular |
| “Listing Manual” | : The Listing Manual of the SGX-ST, as amended or modified from time to time |
| “Management and Underwriting Agreement” | : The management and underwriting agreement dated 18 September 2009 entered into between the Company and Merrill Lynch, as the Manager and Underwriter in relation to the Rights Issue |
| “Manager and Underwriter” or “Merrill Lynch” | : Merrill Lynch (Singapore) Pte. Ltd., a wholly-owned subsidiary of Bank of America Corporation |
| “Market Day” | : A day on which the SGX-ST is open for trading in securities |
| “MAS” | : The Monetary Authority of Singapore |
| “Memorandum of Association” | : The Memorandum of Association of the Company |
| “MOC” | : The Ministry of Commerce of Thailand |
| “Non-Entitled Depositors” | : Depositors with Shares standing to the credit of their Securities Accounts as at the Books Closure Date other than the Entitled Depositors |
| “Non-Entitled Purchasers” | : Persons purchasing the Rights traded on the Main Board of the SGX-ST through the book-entry (scripless) settlement system during the rights trading period whose registered addresses with CDP are outside Singapore at the time of purchase |
| “Notice of EGM” | : The notice of the EGM, issued to Shareholders together with this Circular |
| “NTA” | : Net tangible assets |
| “Offer Information Statement” | : The offer information statement referred to in Section 277 of the SFA and, together with the PAL, the ARE, the ARS and all other accompanying documents, including any supplementary or replacement document which may be issued by the Company in connection with the Rights Issue |

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| “Options” | : | The options representing 698,000 Shares granted under the ESOP 2008 in November 2008 |
| “PAL” | : | The provisional allotment letter to be issued to a Registered Shareholder excluding CDP, setting out the Rights of such Registered Shareholder under the Rights Issue |
| “PLCA” | : | The Public Limited Companies Act B.E. 2535 (1992) of Thailand, as amended |
| “Preferential Allotment of Excess Rights Shares” | : | <p>The proposed preferential allotment of the Excess Rights Shares to satisfy the applications for Excess Rights Shares by the Thai Shareholders such that the aggregate shareholding of the Thai Shareholders represents 50.1% of the total enlarged issued share capital of the Company immediately after the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST.</p> <p>Such allotment(s) shall be made in the proportion of the number of Shares recorded in the names of the Thai Shareholders that apply for Excess Rights Shares as at the Books Closure Date</p> |
| “Pro Rata Shares” | : | The Rights Shares represented by the Rights of TTA and Soleado based on the TTA Initial Shares and the Soleado Initial Shares |
| “QIBs” | : | Qualified institutional buyers as defined in Rule 144A under the Securities Act |
| “Record Date” | : | In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered or the Securities Accounts of Depositors must be credited with Shares in order to participate in such dividends, rights, allotments or other distributions |
| “Reduction in Registered Capital” | : | The proposed reduction of the Registered Capital in connection with the Increase in Registered Capital |
| “Register of Shareholders” | : | The Register of Shareholders of the Company maintained by the Company |
| “Registered Capital” | : | The registered capital of the Company |
| “Registered Shareholders” | : | Shareholders who are listed in the Register of Shareholders of the Company as at the Books Closure Date |
| “Remaining Excess Rights Shares” | : | The remaining Excess Rights Shares after the Preferential Allotment of Excess Rights Shares or, in the event that there is no Preferential Allotment of Excess Rights Share, the Excess Rights Shares |
| “Rights” | : | Rights to subscribe for nine (9) Rights Shares for every 20 existing Shares held by Shareholders as at the Books Closure Date, fractional entitlements to be disregarded and aggregated to form part of the Excess Rights Shares |
| “Rights Issue” | : | The proposed renounceable underwritten rights issue by the Company of 243,542,403 Rights Shares, at the Issue Price, on the basis of nine (9) Rights Shares for every 20 existing Shares recorded in their names in the Register of Shareholders as at the Books Closure Date, fractional entitlements to be disregarded and aggregated to form part of the Excess Rights Shares, on the terms and the conditions of the Offer Information Statement. |

The Rights of CDP, a Registered Shareholder, will be split and credited to the Securities Accounts of Entitled Depositors, on the basis of nine (9) Rights Shares for every 20 existing Shares standing to the credit of their Securities Accounts as at the Books Closure Date, fractional entitlements to be disregarded and aggregated to form part of the Excess Rights Shares, on the terms and the conditions of the Offer Information Statement.

Unless indicated otherwise, all information in this Circular assumes that the Rights Issue is fully subscribed

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| “Rights Shares” | : 243,542,403 new Shares to be allotted and issued by the Company pursuant to the Rights Issue |
| “SEC” | : The Securities and Exchange Commission of Thailand |
| “Securities Account” | : Securities account maintained by a Depositor with CDP but does not include a securities sub-account held with a Depository Agent |
| “Securities Act” | : United States Securities Act of 1933, as amended |
| “SFA” | : The Securities and Futures Act (Chapter 289 of Singapore), as amended or modified from time to time |
| “SFRS” | : Singapore Financial Reporting Standards |
| “SGX-ST” | : Singapore Exchange Securities Trading Limited |
| “Shareholders” | : Registered holders of Shares in the Register of Shareholders, except where the registered holder is CDP, the term Shareholders shall, in relation to such Shares and where the context so admits, mean the persons named as Depositors in the Depository Register maintained by CDP and whose Securities Accounts are credited with those Shares |
| “Shares” | : Ordinary shares with a par value of Baht 1 each in the capital of the Company |
| “Share Transfer Agent” | : Boardroom Corporate & Advisory Services Pte. Ltd. |
| “Soleado” | : Soleado Holdings Pte. Ltd. |
| “Soleado Initial Shares” | : 117,648,600 Shares held directly by Soleado as at the date of the TTA Irrevocable Undertaking |
| “Soleado Sub-underwriting Commitment” | : Soleado’s commitment to fully sub-underwrite the Rights Issue pursuant to the Sub-underwriting Agreement |
| “Sub-underwriting Agreement” | : The sub-underwriting agreement dated 18 September 2009 entered into between the Manager and Underwriter, TTA and Soleado in relation to the Rights Issue |
| “Substantial Shareholder” | : A person who has an interest in not less than 5.0% of the voting Shares of the Company |
| “TEF” | : Thailand Equity Fund |
| “Thai” or “Thailand” | : The Kingdom of Thailand |
| “Thai GAAP” | : Generally accepted accounting principles in Thailand |
| “Thai Shareholders” | : TTA, TEF, Oraporn Lerdthuwanon, Sataporn Amornvorapak and Vincent Sriprasidh |
| “TTA” | : Thoresen Thai Agencies Public Company Limited |
| “TTA Initial Shares” | : 191,602,670 Shares held directly by TTA as at the date of the TTA Irrevocable Undertaking |

- “**TTA Irrevocable Undertaking**” : The irrevocable undertaking dated 31 August 2009 given by TTA in relation to the proposed Rights Issue, as described in Section 3.2 of this Circular
- “**United States**” or “**U.S.**” : United States of America
- “**Unsubscribed Rights Shares**” : The remaining Rights Shares after satisfying all applications for Excess Rights Shares
- “**U.S. GAAP**” : Generally accepted accounting principles in the United States

Currencies and others

- “**%**” : Percentage or per centum
- “**Baht**” : Thai baht
- “**S\$**” and “**cents**” : Singapore dollars and cents, respectively

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Unless otherwise stated in this Circular, any term defined under the Companies Act, the SFA or the Listing Manual shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA or the Listing Manual, as the case may be. In particular:

- **Depositor, Depository Agent and Depository Register** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act; and
- **subsidiary** shall have the meaning ascribed to it in Section 5 of the Companies Act.

Any discrepancies in the tables included in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to shares being allotted to a person includes allotment to CDP for the account of that person.

Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date, unless otherwise stated.

LETTER TO SHAREHOLDERS
MERMAID MARITIME PUBLIC COMPANY LIMITED
(Registered in the Kingdom of Thailand as a Company with Limited Liability)
(Registration Number. 0107550000017)

Directors

M.L. Chandchutha Chandratat (*Executive Chairman*)
David Stewart Simpson (*Managing Director*)
Surasak Khaoroptham (*Non-Executive Director*)
Joey Horn (*Non-Executive Director*)
Pichet Sithi-Amnuai (*Independent Director*)
Leslie George Merszei (*Independent Director*)
Ng Chee Keong (*Independent Director*)
Lim How Teck (*Independent Director*)

Registered Office

26/28-29, Orakarn Building, 9th Floor
Soi Chidlom, Ploenchit Road,
Kwaeng Lumpinee,
Khet Pathumwan,
Bangkok 10330,
Thailand

22 September 2009

To: The Shareholders of Mermaid Maritime Public Company Limited

Dear Sir/Madam

1. INTRODUCTION

1.1 Overview

The Directors are convening the EGM to be held at 10.00 a.m. (Bangkok time) on 14 October 2009 to seek Shareholders' approval for the following:

- (a) the proposed adoption of the minutes of the annual general meeting of Shareholders No. 01/2009 held on 29 January 2009 (Resolution 1);
- (b) the proposed Reduction in Registered Capital and the amendment to the Memorandum of Association of the Company (Resolution 2);
- (c) the proposed Increase in Registered Capital and the amendment to the Memorandum of Association of the Company (Resolution 3);
- (d) the proposed allocation of 243,542,403 Rights Shares from the Increase in Registered Capital for offering to Registered Shareholders under the Rights Issue (Resolution 4);
- (e) the proposed Preferential Allotment of Excess Rights Shares to the Thai Shareholders (Resolution 5);
- (f) the proposed allotment of the Remaining Excess Rights Shares (Resolution 6);
- (g) the proposed underwriting of the Rights Issue by Merrill Lynch, the sub-underwriting by Soleado, and the allotment of the Unsubscribed Rights Shares (Resolution 7);
- (h) the proposed grant of authority to the Board, authorised Directors or other delegates of the Board in connection with the Rights Issue (Resolution 8); and
- (i) the proposed allocation of new Shares from the Increase in Registered Capital for the Adjustments to the Options under the ESOP 2008 and for distribution under the ESOP 2009 (Resolution 9).

Information in relation to Resolutions 1 and 9 is set out in the Notice of EGM.

1.2 Resolution 2: The proposed Reduction in Registered Capital and the amendment to the Memorandum of Association of the Company (Special Resolution)

As at the Latest Practicable Date, the Registered Capital is Baht 544,903,340 divided into 544,903,340 ordinary shares with a par value of Baht 1 each. Under the PLCA, in order for the Company to increase the Registered Capital for the allotment and issue of Rights Shares in connection with the Rights Issue, the Company has to reduce the Registered Capital by cancelling 3,000,000 ordinary shares with a par

value of Baht 1 each that have remained unissued or unallocated under the ESOP 2009, and to amend Clause 4 of the Memorandum of Association to state as follows:

“The registered capital is Baht 541,903,340 (five hundred and forty one million nine hundred and three thousand three hundred and forty) divided into 541,903,340 (five hundred and forty one million nine hundred and three thousand three hundred and forty) shares with a par value of Baht 1 (one) each, categorised into 541,903,340 (five hundred and forty one million nine hundred and three thousand three hundred and forty) ordinary shares and — nil — preferred shares.”

(Please refer to Section 2 of this Circular for further details on the Reduction in Registered Capital.)

1.3 Resolution 3: The proposed Increase in Registered Capital and the amendment to the Memorandum of Association of the Company (Special Resolution)

In connection with the Rights Issue, the Adjustments to the Options and the ESOP 2009, the Company intends to increase the Registered Capital from Baht 541,903,340 to Baht 788,797,743 by means of the issuance of 246,894,403 new ordinary shares with a par value of Baht 1 each, and to amend Clause 4 of the Memorandum of Association of the Company to state as follows:

“The registered capital is Baht 788,797,743 (seven hundred and eighty eight million seven hundred and ninety seven thousand seven hundred and forty three) divided into 788,797,743 (seven hundred and eighty eight million seven hundred and ninety seven thousand seven hundred and forty three) shares with a par value of Baht 1 (one) each, categorised into 788,797,743 (seven hundred and eighty eight million seven hundred and ninety seven thousand seven hundred and forty three) ordinary shares and — nil — preferred shares.”

(Please refer to Section 2 of this Circular for further details on the Increase in Registered Capital.)

1.4 Resolution 4: The proposed allocation of 243,542,403 Rights Shares from the Increase in Registered Capital for offering to Registered Shareholders under the Rights Issue (Ordinary Resolution)

On 18 September 2009, the Company announced the Rights Issue and the receipt of the approval in-principle from the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Main Board of the SGX-ST subject to, *inter alia*, the approval of Shareholders for the Rights Issue at the EGM, and the approval of the Office of the SEC for the Rights Issue.

As at the Latest Practicable Date, TTA has interests (direct and indirect) in 309,251,270 Shares, representing approximately 57.1% of the total issued Shares.

To show its support for the Rights Issue and to demonstrate its commitment to and confidence in the prospects of the Group, TTA has provided to each of the Company and the Manager and Underwriter the TTA Irrevocable Undertaking, pursuant to which it has irrevocably undertaken, *inter alia*, that:

(a) as at the Books Closure Date, TTA will hold directly interests in not less than the number of the TTA Initial Shares and will procure that Soleado will hold interests in not less than the number of the Soleado Initial Shares;

(b) subject to any restrictions imposed by applicable law or the SGX-ST, TTA will (i) in respect of the TTA Initial Shares, vote in favour of Resolutions 2, 3, 4, 6 and 8 at the EGM and (ii) in respect of the Soleado Initial Shares, procure that Soleado will vote in favour of the Resolutions 2, 3, 4, 6 and 8 at the EGM;

(c) in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date, TTA will, and will procure that Soleado will, subscribe and pay in full for all of the Rights Shares which TTA and Soleado are entitled, by virtue of the TTA Initial Shares and the Soleado Initial Shares respectively, to subscribe for under the Rights Issue; and

(d) in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date, TTA will apply for and pay in full for such number of Excess Rights Shares such that the aggregate number of Shares held by the Thai Shareholders shall be 50.1% of the total enlarged issued share capital of the Company immediately after the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST.

Approval in-principle has been obtained from the SGX-ST on 18 September 2009 for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST. The approval in-principle of the SGX-ST is subject to, among others, the following conditions:

- (a) compliance with the SGX-ST's listing rules;
- (b) Shareholders' approval being obtained for the Rights Issue;
- (c) a written undertaking from the Company that it will make periodic announcements on the use of the proceeds from the Rights Issue and that it will provide a status report on the use of the proceeds in the annual report;
- (d) a written undertaking from the Company that save for the proposed Preferential Allotment of Excess Rights Shares to Thai Shareholders, in the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and substantial Shareholders will rank last in priority;
- (e) a written confirmation from financial institution(s) that the Shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under its undertakings (to be submitted to the SGX-ST prior to the commencement of Ex-Rights trading);
- (f) a confirmation from the Manager and Underwriter to the Board that:
 - (i) discussion on the sub-underwriting arrangement with Soleado was initiated by the Manager and Underwriter and not by Soleado and/or TTA; and
 - (ii) the Manager and Underwriter will not underwrite the Rights Issue unless Soleado enters into the sub-underwriting arrangement;
- (g) a written confirmation from the Manager and Underwriter that the sub-underwriting fees earned by Soleado and/or TTA (if applicable) will not be more than the underwriting fee to be paid to the Manager and Underwriter; and
- (h) an announcement of the following:
 - (i) the Board's opinion, and basis thereof, that the terms of the sub-underwriting arrangement are fair and not prejudicial to the Company and to other Shareholders;
 - (ii) the Board's confirmation that the terms agreed between the Company and the Manager and Underwriter including the commission payable to the Manager and Underwriter and Soleado and/or TTA (if applicable) are on arm's length and normal commercial terms;
 - (iii) a statement by the Board on whether there are any dissenting views of the Board members (and, if so, details of the dissenting views); and
 - (iv) the fees earned by the Manager and Underwriter and Soleado and/or TTA (if applicable).

The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained and opinions expressed in this Circular. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Company, its subsidiaries, the Shares, the Rights Shares or the Rights.

Based on the number of Shares in issue as at the Latest Practicable Date, the Company intends to issue and allot 243,542,403 Rights Shares at the Issue Price, so as to raise gross proceeds of approximately S\$156 million.

(Please refer to Section 3 of this Circular and Appendix 2 to this Circular for further details on the Rights Issue.)

1.5 Resolution 5: The proposed Preferential Allotment of Excess Rights Shares to the Thai Shareholders (Ordinary Resolution)

The Excess Rights Shares, which are represented by the Rights not accepted, taken up or allotted for any reason and the fractional Rights not allotted in accordance with the terms of the Rights Issue, will be aggregated. In the allotment of Excess Rights Shares, it is proposed that preference be given to satisfy the applications for Excess Rights Shares by the Thai Shareholders such that the aggregate shareholding of the

Thai Shareholders represents 50.1% of the total enlarged issued share capital of the Company immediately after the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST.

Such allotment(s) to the Thai Shareholders who apply for Excess Rights Shares shall be made in the proportion of the number of Shares recorded in their names as at the Books Closure Date.

In the event that the aggregate shareholding of the Thai Shareholders will represent 50.1% or more of the total enlarged issued share capital of the Company immediately after the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST after the subscription for their Rights, there will be no Preferential Allotment of Excess Rights Shares to the Thai Shareholders.

(Please refer to Section 4 of this Circular and Appendix 2 to this Circular for further details on the Preferential Allotment of Excess Rights Shares.)

1.6 Resolution 6: The proposed allotment of the Remaining Excess Rights Shares (Ordinary Resolution)

In the allotment of the Remaining Excess Rights Shares, it is proposed that (i) preference be given to satisfy the applications for Excess Rights Shares by Registered Shareholders excluding CDP, and Entitled Depositors for the rounding of odd lots (not being Directors and/or Substantial Shareholders), and (ii) the remainder (if any) to satisfy the applications for Excess Rights Shares by Registered Shareholders excluding CDP, and Entitled Depositors (not being Directors and/or Substantial Shareholders), and (iii) the remainder thereafter (if any) to satisfy the applications for Excess Rights Shares by Registered Shareholders excluding CDP, and Entitled Depositors (being Directors and/or Substantial Shareholders).

In this regard, the details, terms and/or conditions of the allotment of the Remaining Excess Rights Shares shall be determined by the Board, authorised Directors or other delegates of the Board as they or he may deem fit.

(Please refer to Section 4 of this Circular and Appendix 2 to this Circular for further details on the proposed allotment of the Remaining Excess Rights Shares.)

1.7 Resolution 7: The proposed Underwriting of the Rights Issue by Merrill Lynch, the Sub-underwriting by Soleado, and the allotment of the Unsubscribed Rights Shares (Ordinary Resolution)

Pursuant to the Management and Underwriting Agreement, the Rights Issue will be fully underwritten by Merrill Lynch, subject to, *inter alia*, the approval of the Shareholders at the EGM for Resolutions 2, 3, 4, 5, 6, 7 and 8.

As at the Latest Practicable Date, Soleado has a direct interest in 117,648,600 Shares, representing approximately 21.7% of the total issued Shares.

Soleado has entered into the Sub-underwriting Agreement with TTA and Merrill Lynch on 18 September 2009, pursuant to which Soleado has agreed to the Soleado Sub-underwriting Commitment, subject to, *inter alia*, the Management and Underwriting having not been terminated.

Soleado will receive a commission for the Soleado Sub-underwriting Commitment which will be paid by Merrill Lynch.

Pursuant to the Sub-underwriting Agreement, TTA has agreed to guarantee to the Manager and Underwriter the due and punctual payment of all amounts payable by Soleado under the Sub-underwriting Agreement. Further, in the event of Soleado's failure to fulfil the Soleado Sub-underwriting Commitment, the Manager and Underwriter shall be entitled to treat the Sub-underwriting Agreement as an application by Soleado and/or TTA for the Unsubscribed Rights Shares in such proportion as the Manager and Underwriter may, at its absolute discretion, determine, and to authorise the Company to allot and issue the same to Soleado and/or TTA and payment therefor at the Issue Price shall be made by Soleado and/or TTA forthwith. TTA is not directly entitled to any commissions under the Sub-underwriting Agreement.

(Please refer to Section 5 of this Circular and Appendix 2 to this Circular for further details on the underwriting arrangement and the Soleado Sub-underwriting Commitment.)

1.8 Resolution 8: The proposed grant of authority to the Board, authorised Directors or other delegates of the Board in connection with the Rights Issue (Ordinary Resolution)

In connection with the Rights Issue, the Board proposes to seek approval from the Shareholders to authorise the Board, authorised Directors or other delegates of the Board to complete and do all such acts and things (including executing all such documents as may be required) as they or he may consider expedient or necessary in relation to the Rights Issue.

1.9 Circular

The purpose of this Circular is to provide Shareholders with information relating to the proposed resolutions above.

2. DETAILS OF THE PROPOSED REDUCTION AND THE INCREASE IN THE REGISTERED CAPITAL

2.1 Under Thai law, the power to issue new shares in a company is a power of the shareholders. The PLCA stipulates that a company may increase the amount of its registered capital by the issuance of new shares on these conditions:

(i) all the shares have been completely sold and paid-up in full, or if the shares have not been completely sold, the remaining authorised shares shall be the shares authorised for the exercise of rights under convertible debentures or warrants to purchase shares;

(ii) a shareholders' meeting has passed a resolution by not less than three quarters of the total number of voting rights of the shareholders attending the meeting and having the right to vote; and

(iii) the said resolution has been submitted to the registrar for the registration of a change in the registered capital within fourteen days of the date on which the meeting passed the resolution.

2.2 Based on the foregoing, in order for the Company to increase the Registered Capital for the allotment and issue of Rights Shares in connection with the Rights Issue, the Company has to reduce the Registered Capital by cancelling 3,000,000 shares with a par value of Baht 1 each that have remained unissued or unallocated under the ESOP 2009, and to amend Clause 4 of the Memorandum of Association to state as follows:

“The registered capital is Baht 541,903,340 (five hundred and forty one million nine hundred and three thousand three hundred and forty) divided into 541,903,340 (five hundred and forty one million nine hundred and three thousand three hundred and forty) shares with a par value of Baht 1 (one) each, categorised into 541,903,340 (five hundred and forty one million nine hundred and three thousand three hundred and forty) ordinary shares and — nil — preferred shares.”

2.3 In addition, under the PLCA, in order for the Company to allot and issue the Rights Shares and provide for the Adjustments to the Options and the new Shares to be issued under the ESOP 2009, the Company has to increase the Registered Capital. As such, in connection with the Rights Issue, the Adjustments to the Options and the ESOP 2009, the Company intends to increase the Registered Capital from Baht 541,903,340 to Baht 788,797,743 by means of the issuance of 246,894,403 ordinary shares with a par value of Baht 1 each and to amend Clause 4 of the Memorandum of Association of the Company to state as follows:

“The registered capital is Baht 788,797,743 (seven hundred and eighty eight million seven hundred and ninety seven thousand seven hundred and forty three) divided into 788,797,743 (seven hundred and eighty eight million seven hundred and ninety seven thousand seven hundred and forty three) shares with a par value of Baht 1 (one) each, categorised into 788,797,743 (seven hundred and eighty eight million seven hundred and ninety seven thousand seven hundred and forty three) ordinary shares and — nil — preferred shares.”

3. DETAILS OF THE PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE

3.1 Principal Terms of the Rights Issue

Based on the issued share capital of the Company comprising 541,205,340 Shares as at the Latest Practicable Date, 243,542,403 Rights Shares are proposed to be offered on a renounceable underwritten basis to the Registered Shareholders at the Issue Price of S\$0.64 for each Rights Share, on the basis of nine (9)

Rights Shares for every 20 existing Shares recorded in their names in the Register of Shareholders as at the Books Closure Date, fractional entitlements to be disregarded and aggregated to form part of the Excess Rights Shares.

The Rights of CDP, a Registered Shareholder, will be split and credited to the Securities Accounts of Entitled Depositors, on the basis of nine (9) Rights Shares for every 20 existing Shares standing to the credit of their Securities Accounts as at the Books Closure Date, fractional entitlements to be disregarded and aggregated to form part of the Excess Rights Shares.

The Issue Price represents a discount of approximately 29.7% to the closing price of S\$0.91 per Share on the SGX-ST on 17 September 2009, being the last trading day prior to the date of the announcement of the Rights Issue and a discount of approximately 22.5% to the theoretical ex-rights trading price⁽¹⁾ of S\$0.83 per Share.

The Rights Shares are payable in Singapore dollars in full upon acceptance and/or application. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid, the Record Date for which falls before the date of issue of the Rights Shares.

Registered Shareholders excluding CDP, will be at liberty to accept in part or in full, decline or renounce their Rights and are eligible to apply for additional Rights Shares in excess of their Rights under the Rights Issue. Entitled Depositors will be at liberty to accept in part or in full, decline or renounce or trade their Rights and are eligible to apply for additional Rights Shares in excess of their Rights under the Rights Issue.

Fractional entitlements will be disregarded in arriving at the Rights of Registered Shareholders and Entitled Depositors. Subject to the approval of the Shareholders, the Excess Rights Shares which are represented by the Rights which are not accepted, taken up or allotted for any reason and the fractional Rights disregarded in accordance with the terms of the Rights Issue will be aggregated and used for the Preferential Allotment of Excess Rights Shares (if any) and thereafter, in the allotment of the Remaining Excess Rights Shares, preference will be given to Registered Shareholders excluding CDP, and Entitled Depositors for the rounding of odd lots, and Directors and Substantial Shareholders will rank last in priority.

The Rights Issue is subject to, *inter alia*, the following:-

- (i) the approval of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Main Board of the SGX-ST not having been withdrawn or revoked on or prior to the completion of the Rights Issue;
- (ii) the approval of Shareholders for Resolutions 2, 3, 4, 5, 6, 7 and 8 having been obtained at the EGM;
- (iii) the acceptance of the registration of the increase in the Registered Capital further to the acceptance of the registration of the reduction in the Registered Capital by the MOC;
- (iv) the approval of the Office of the SEC for the Rights Issue being granted and not having been withdrawn or revoked on or prior to the completion of the Rights Issue; and
- (v) the lodgment of the Offer Information Statement in respect of the Rights Issue with the MAS as an offer information statement.

The principal terms of the proposed Rights Issue, without limitation, are summarised as follows:

Number of Rights Shares and the Issue Price : Based on the issued share capital of the Company of 541,205,340 Shares as at the Latest Practicable Date, 243,542,403 Rights Shares will be issued at the Issue Price of S\$0.64 for each Rights Share.

⁽¹⁾ The theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the closing price of S\$0.91 per Share on the SGX-ST on 17 September 2009, being the last trading day of the Shares on the SGX-ST prior to the date of the announcement of the Rights Issue and the number of Shares following the completion of the Rights Issue.

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| Basis of Provisional Allotment | <p>: <u>Registered Shareholders</u></p> <p>The Rights Issue is made on a renounceable basis to Registered Shareholders on the basis of nine (9) Rights Shares for every 20 existing Shares held by the Registered Shareholders as at the Books Closure Date, fractional entitlements to be disregarded and aggregated to form part of the Excess Rights Shares.</p> <p><u>Entitled Depositors</u></p> <p>The Rights of CDP, a Registered Shareholder, will be split and credited to the Securities Accounts of Entitled Depositors, on the basis of nine (9) Rights Shares for every 20 existing Shares standing to the credit of the Securities Accounts of the Entitled Depositors as at the Books Closure Date, fractional entitlements to be disregarded and aggregated to form part of the Excess Rights Shares.</p> |
| Status of the Rights Shares | <p>: The Rights Shares will, when issued and fully paid, rank <i>pari passu</i> in all respects with the then existing Shares save that they will not rank for any dividends, rights, allotments or other distributions that may be declared or paid, the Record Date for which falls before the date of issue of the Rights Shares.</p> |
| Trading of Rights | <p>: Subject to compliance with relevant securities laws, the Rights of Entitled Depositors will be freely transferable and tradeable on the SGX-ST during the Rights trading period prescribed by the SGX-ST.</p> <p>The Rights of Registered Shareholders excluding CDP will not be tradeable on the SGX-ST.</p> |
| Listing and Trading of Rights Shares and Odd Lots | <p>: The SGX-ST has granted approval in-principle for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST (subject to certain conditions as described in Section 1.4 of this Circular). The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Company, its subsidiaries, the Shares, the Rights Shares or the Rights.</p> <p>The Rights Shares will be admitted to the Official List of the SGX-ST after all certificates relating thereto have been issued and the notification letters from CDP have been despatched. Each board lot of Rights Shares will consist of 1,000 Rights Shares.</p> <p>Entitled Depositors can trade in odd lots of Shares on the SGX-ST's Unit Share Market.</p> |
| Eligibility to participate in the Rights Issue | <p>: Please refer to Section 3.4 of this Circular.</p> |
| Applications for Excess Rights Shares | <p>: Subject to the approval of the Shareholders, the Excess Rights Shares which are represented by the Rights which are not accepted, taken up or allotted for any reason and the fractional Rights disregarded in accordance with the terms of the Rights Issue will be aggregated and used for the Preferential Allotment of Excess Rights Shares (if any) and thereafter, in the allotment of the Remaining Excess Rights Shares, preference will be given to Registered Shareholders excluding CDP, and Entitled Depositors for the rounding of odd lots, and Directors and Substantial Shareholders will rank last in priority.</p> |
| Irrevocable Undertaking | <p>: Please refer to section 3.2 of this Circular.</p> |
| Underwriting | <p>: Please refer to Section 5 of this Circular and Appendix 2 to this Circular.</p> |
| Governing Law | <p>: Laws of the Republic of Singapore.</p> |

The terms and conditions of the Rights Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights Issue will be contained in the Offer Information Statement to be despatched by the Company to Registered Shareholders and Entitled Depositors in due course, subject to, *inter alia*, the approval of Shareholders being obtained for the Rights Issue at the EGM and the approval of the Office of the SEC for the Rights Issue.

Please refer to Appendix 2 to this Circular for a flowchart which sets out the allotment of Rights under the Rights Issue.

3.2 Irrevocable Undertaking

As at the Latest Practicable Date, TTA has interests (direct and indirect) in 309,251,270 Shares, representing approximately 57.1% of the total issued Shares.

To show its support for the Rights Issue and to demonstrate its commitment to and confidence in the prospects of the Group, TTA has provided to each of the Company and the Manager and Underwriter the TTA Irrevocable Undertaking, pursuant to which it has irrevocably undertaken, *inter alia*, that:

(a) as at the Books Closure Date, TTA will hold directly interests in not less than the number of the TTA Initial Shares and will procure that Soleado will hold interests in not less than the number of the Soleado Initial Shares;

(b) subject to any restrictions imposed by applicable law or the SGX-ST, TTA will (i) in respect of the TTA Initial Shares, vote in favour of Resolutions 2, 3, 4, 6 and 8 at the EGM and (ii) in respect of the Soleado Initial Shares, procure that Soleado will vote in favour of the Resolutions 2, 3, 4, 6 and 8 at the EGM;

(c) in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date, TTA will, and will procure that Soleado will, subscribe and pay in full for all of the Rights Shares which TTA and Soleado are entitled, by virtue of the TTA Initial Shares and the Soleado Initial Shares respectively, to subscribe for under the Rights Issue; and

(d) in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date, TTA will apply for and pay in full for such number of Excess Rights Shares such that the aggregate number of Shares held by the Thai Shareholders shall be 50.1% of the total enlarged issued share capital of the Company immediately after the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST.

3.3 Rationale of the Rights Issue and Use of Proceeds

The Directors consider the Rights Issue to be beneficial to the Company and Shareholders in several ways including:

(a) strategically and proactively providing the Company with greater financial capacity to pursue both tactical and strategic growth opportunities as and when they arise;

(b) strengthening its market position with the ability for timely acquisition of bargain assets in the current down market;

(c) further enhancing position of the Group as a leading provider of drilling and sub-sea engineering services for the offshore oil and gas industry; and

(d) providing Registered Shareholders excluding CDP, and Entitled Depositors with the opportunity to pre-emptively subscribe for the Rights Shares.

The estimated net proceeds of the Rights Issue are expected to be approximately S\$152 million, after deducting estimated expenses of approximately S\$4 million incurred in connection therewith (the "**Net Proceeds**"). The Company intends to utilise the Net Proceeds for general corporate purposes including general working capital and making strategic investments and/or acquisitions.

The Company will announce any material disbursement of the Net Proceeds from the Rights Issue accordingly and will provide a status report on the use of the Net Proceeds in the Company's annual report.

Pending the deployment of the Net Proceeds from the Rights Issue, the Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, as the Directors may deem appropriate in the interests of the Group.

3.4 Eligibility of Shareholders to Participate in the Proposed Rights Issue

(a) Registered Shareholders

Subject to compliance with relevant securities laws, Registered Shareholders will be entitled to participate in the Rights Issue and to receive the Offer Information Statement together with the PAL at their respective addresses. Registered Shareholders who do not receive the Offer Information Statement and the PAL within four (4) Market Days from the Books Closure Date may obtain them from the Share Transfer Agent or the Company during the period up to the Closing Date.

Registered Shareholders will be provisionally allotted the Rights Shares under the Rights Issue on the basis of the Shares recorded in their names in the Register of Shareholders as at the Books Closure Date, fractional entitlements to be disregarded and aggregated to form part of the Excess Rights Shares.

Registered Shareholders will be at liberty to accept, decline or renounce their Rights and are eligible to apply for additional Rights Shares in excess of their Rights. The PALs to be issued to Registered Shareholders will not be valid for delivery pursuant to trades done on the SGX-ST. Full details of the Rights Issue will be set out in the Offer Information Statement to be despatched to Registered Shareholders in due course, subject to, *inter alia*, the approval of Shareholders being obtained for the Rights Issue at the EGM and the approval of the Office of the SEC for the Rights Issue.

(b) Entitled Depositors

The Rights of CDP, a Registered Shareholder, will be split and credited to the Securities Accounts of Entitled Depositors. Subject to compliance with relevant securities laws, Entitled Depositors will therefore be entitled to participate in the Rights Issue and to receive the Offer Information Statement together with the AREs at their respective Singapore addresses. Entitled Depositors who do not receive the Offer Information Statement and the ARE within four (4) Market Days from the Books Closure Date may obtain them from CDP during the period up to the Closing Date.

Entitled Depositors will be provisionally allotted the Rights Shares under the Rights Issue on the basis of the Shares standing to the credit of their Securities Accounts as at the Books Closure Date, fractional entitlements to be disregarded and aggregated to form part of the Excess Rights Shares. Entitled Depositors are at liberty to accept, decline, renounce or trade their Rights on the SGX-ST during the rights trading period prescribed by the SGX-ST and are eligible to apply for additional Rights Shares in excess of their Rights. Full details of the Rights Issue will be set out in the Offer Information Statement to be despatched to Entitled Depositors in due course, subject to, *inter alia*, the approval of Shareholders being obtained for the Rights Issue at the EGM and the approval of the Office of the SEC for the Rights Issue.

All dealings in and transactions of the Rights through the SGX-ST will be effected under the book-entry (scripless) settlement system.

Entitled Depositors should note that all notices and documents will be sent to their last registered addresses with CDP. You are reminded that any request to CDP to update their records or to effect any change in address must reach CDP at 4 Shenton Way #02-01 SGX Centre 2, Singapore 068807, at least three (3) Market Days before the Books Closure Date.

The procedures for, and the terms and conditions applicable to, acceptances, splitting, renunciation and/or sales of the Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, will be set out in the Offer Information Statement to be despatched by the Company to the Registered Shareholders and the Entitled Depositors in due course, subject to, *inter alia*, the approval of Shareholders being obtained for the Rights Issue at the EGM and the approval of the Office of the SEC for the Rights Issue.

(c) Restrictions on Participation in the Rights Issue by Non-Entitled Depositors and Non-Entitled Purchasers

The making or acceptance of the proposed offer of Rights and Rights Shares to persons who have registered addresses outside Singapore, or who are resident in, or are citizens of, countries other than Singapore, may be affected by the laws of the relevant jurisdiction. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Rights.

It is also the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside Singapore wishing to take up Rights under the Rights Issue to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The comments set out in this section are intended as a general guide only and any Non-Entitled Depositor who is in doubt as to his position should consult his professional adviser without delay.

Receipt of this Circular, the Offer Information Statement, an ARE, ARS or PAL or the crediting of Rights to a Securities Account will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Circular, the Offer Information Statement and AREs, ARSs or PALs must be treated as sent for information only and should not be copied or redistributed.

Rights Shares will only be provisionally allotted (nil-paid) to Entitled Depositors on the basis of the Shares standing to the credit of their Securities Accounts as at the Books Closure Date. In addition, AREs will not be sent to, and Rights will not be credited to the Securities Accounts of Shareholders (being Depositors) with registered addresses in the United States or other jurisdictions outside Singapore or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this Circular, the Offer Information Statement, an ARE, ARS or PAL and/or a credit of Rights or Excess Rights Shares to a Securities Account in any territory other than Singapore may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such ARE, ARS or PAL and/or credit of Rights or Excess Rights Shares to a Securities Account unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such ARE, ARS or PAL and/or credit of Rights or Excess Rights Shares to a Securities Account could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this Circular, the Offer Information Statement, the ARE, ARS or PAL must be treated as sent for information only and should not be copied or redistributed.

Persons (including, without limitation, custodians, nominees and trustees) receiving a copy of this Circular, the Offer Information Statement and/or an ARE, ARS or PAL or whose Securities Account is credited with Rights should not, in connection with the Rights Issue, distribute or send the same or transfer Rights in or into any jurisdiction where to do so would or might contravene local security laws or regulations. If an ARE, ARS or PAL or a credit of Rights is received by any person in any such territory, or by his agent or nominee, he must not seek to take up the Rights referred to in the ARE, ARS or PAL or in this Circular or the Offer Information Statement or renounce such ARE, ARS or PAL or transfer the Rights unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, nominees and trustees) who does forward this Circular or the Offer Information Statement or an ARE, ARS or PAL or transfer Rights into any such territories (whether pursuant to a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section as well as relevant sections of the Offer Information Statement.

The Company reserves the right to reject any acceptances of the Rights Shares and/or applications for Excess Rights Shares where it believes or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction. The Company further reserves the right to treat as invalid any ARE, ARS or PAL which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore, (c) is not accompanied by a prescribed investor representation letter (for persons located in the United States or U.S. persons (as defined in Regulation S under the Securities Act)) or (d) purports to exclude any deemed representation or warranty.

Non-Entitled Depositors will not be entitled to participate in the Rights Issue. No Rights will be issued to Non-Entitled Depositors, and no purported acceptance thereof or application therefor by Non-Entitled Depositors will be valid.

Persons who hold Shares (directly or indirectly through Securities Accounts) who are U.S. persons located outside the United States or who are resident within the United States, who timely represent to the Share Transfer Agent, CDP or their relevant depository agents, brokers or custodians that they are an Entitled

Depositor by way of a prescribed investor representation letter, in accordance with their form of instruction, will be entitled to participate in the Rights Issue. Please refer to Section 3.4(d) of this Circular for further details.

The Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the Rights through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (“**Non-Entitled Purchasers**”) at the time of purchase. Non-Entitled Purchasers who wish to accept the Rights credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Purchasers of the Rights will be required to observe any legal restrictions or requirements applicable to their purchase and exercise of the Rights in any relevant jurisdiction.

(d) Eligibility of Persons Resident in the United States and “U.S. Persons”

Other than qualified institutional buyers (as defined in Rule 144A under the Securities Act) (“**QIBs**”) that comply with the procedures described in this Section, persons holding Shares (directly or indirectly through Securities Accounts) located or resident in the United States as well as U.S. persons (as defined in Regulation S under the Securities Act) as at the Books Closure Date, or the date of acceptance of, subscription or payment for Rights Shares, or application or payment for Excess Rights Shares, will not be permitted to receive any Rights, accept or subscribe for Rights Shares pursuant to the exercise of Rights, or apply for Excess Rights Shares in the Rights Issue. Except with respect to such QIBs, application forms, letters of instruction or other documents received from addresses located in the United States or bearing a U.S. postmark or that request delivery of Rights Shares in the United States, or which do not certify that the recipient of the Rights Shares is not a U.S. person, will not be accepted.

The Rights and the Rights Shares are intended to be offered and sold only to a limited number of QIBs on a private placement basis. A holder of Shares (directly or indirectly through Securities Accounts) as at the Books Closure Date who is either located or resident in the United States or who is a U.S. person, will be allowed to receive a copy of the Offer Information Statement and its accompanying documents and will be provisionally allotted Rights Shares only if he/it:

- is a QIB; and
- has returned in a timely manner and, in any case, before the specified time, a duly completed prescribed investor representation letter (which the Company has accepted), which will be despatched to such U.S. Shareholder by the Company, to and in accordance with the instructions of CDP or such U.S. Shareholder’s respective custodian, depository agent or broker.

In addition to the above procedure, U.S. Shareholders will also be required to follow the procedures in order to accept or subscribe for Rights Shares and apply for Excess Rights Shares.

(e) Treatment of Unallotted Rights of Non-Entitled Depositors

If it is practicable to do so, arrangements may, at the absolute discretion of the Company, be made for the Rights which would otherwise have been provisionally allotted to Non-Entitled Depositors to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Rights commence. Such arrangements may include the Company authorising the Manager and Underwriter to dispose of the Rights on its behalf. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Non-Entitled Depositors in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them at their own risk by ordinary post, provided that where the amount of net proceeds to be distributed to any single Non-Entitled Depositors is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Non-Entitled Depositor shall have any claim whatsoever against the Company, the Directors, the Manager and Underwriter, CDP or the Share Transfer Agent in connection therewith.

Where such Rights are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Non-Entitled Depositors shall have any claim whatsoever against the Company, the Directors, the Manager and Underwriter, CDP or the Share Transfer

Agent in respect of such sales or the proceeds thereof, the Rights or the Rights Shares represented by such Rights.

If such Rights cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the Rights, the Rights Shares represented by such Rights will be issued and allotted to satisfy applications for Excess Rights Shares or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Non-Entitled Depositor shall have any claim whatsoever against the Company, the Directors, the Manager and Underwriter, CDP or the Share Transfer Agent in connection therewith. Please refer to Section 4 of this Circular and Appendix 2 to this Circular for information regarding the Preferential Allotment of Excess Rights Shares and the proposed allotment of the Remaining Excess Rights Shares.

Shareholders should note that the special arrangements described above will apply only to Non-Entitled Depositors.

Notwithstanding the above, Shareholders and any other person having possession of the Offer Information Statement and its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. **No person in any territory outside Singapore receiving the Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any regulatory or legal requirements in those territories.**

3.5 Offer Information Statement

An Offer Information Statement will be despatched to each Registered Shareholder, and each Entitled Depositor after the EGM. Acceptances and applications under the Rights Issue can only be made on the following (all of which will form part of the Offer Information Statement):

- (i) the PAL, in the case of Registered Shareholders excluding CDP, or their renounees;
- (ii) the ARE, in the case of Entitled Depositors; and
- (iii) the ARS in the case of Entitled Purchasers,

or through the ATMs of the participating banks, in the case of Entitled Depositors or their renounees or Entitled Purchasers.

3.6 Financial Effects of the Rights Issue

The financial effects of the Rights Issue on the audited financial statements of the Company and the Group for FY2008 and the unaudited financial statements of the Company and the Group for 3Q2009 are set out below for the purposes of illustration.

The analyses below have been prepared based on 243,542,403 Rights Shares which will be allotted, issued at the Issue Price of S\$0.64 per Rights Share so as to raise gross proceeds of approximately S\$156 million and an exchange rate of S\$1 to Baht 23.81 as at 17 September 2009. It is solely for illustrative purposes and does not purport to be indicative or a projection of the financial results and financial positions of the Company and the Group after the completion of the Rights Issue.

(a) Issued Shares

The effect of the Rights Issue on the issued Shares is set out below:

| | <u>No. of Shares</u> | <u>Baht</u> |
|---|----------------------|--------------------|
| Issued Shares | | |
| Issued Shares as at 30 September 2008 | 541,205,340 | 541,205,340 |
| Add : Rights Shares to be issued | 243,542,403 | 243,542,403 |
| Enlarged issued Shares after the Rights Issue | <u>784,747,743</u> | <u>784,747,743</u> |
| Issued Shares as at 30 June 2009 | 541,205,340 | 541,205,340 |
| Add : Rights Shares to be issued | 243,542,403 | 243,542,403 |
| Enlarged issued Shares after the Rights Issue | <u>784,747,743</u> | <u>784,747,743</u> |

(b) *NTA⁽¹⁾*

The financial effect of the Rights Issue on the NTA per Share of the Company and the Group is set out below:

| | As at 30 September 2008 | | As at 30 June 2009 | |
|--|------------------------------------|---------------|--------------------------------------|---------------|
| | <u>Company</u> <u>(Audited)</u> | <u>Group</u> | <u>Company</u> <u>(Unaudited)</u> | <u>Group</u> |
| NTA (Baht in millions) | 7,163 | 9,091 | 7,168 | 9,585 |
| Add : Net proceeds from the Rights Issue (Baht in millions) | <u>3,616</u> | <u>3,616</u> | <u>3,616</u> | <u>3,616</u> |
| NTA after the Rights Issue (Baht in millions) | <u>10,779</u> | <u>12,707</u> | <u>10,784</u> | <u>13,201</u> |
| NTA per Share (Baht) | 13.2 | 16.8 | 13.2 | 17.7 |
| Adjusted NTA per Share after the Rights Issue (Baht) | 13.7 | 16.2 | 13.7 | 16.8 |

Note:

(1) NTA attributable to equity holders.

(c) *Earnings*

Depending on future earnings of the Group, the enlarged issued Shares following the issue of the Rights Shares may have a dilutive effect on the EPS in the event future earnings do not increase to a level commensurate with the earnings dilution arising from the enlarged issued Shares.

The effect of the Rights Issue on the net profit attributable to equity holders of the Company and the EPS of the Group is as follows:-

| | <u>FY2008</u> | <u>3Q2009</u> |
|--|----------------------------------|------------------------------------|
| | <u>Group</u> <u>(Audited)</u> | <u>Group</u> <u>(Unaudited)</u> |
| Net profit attributable to equity holders of the Company (Baht in millions) | 1,156 | 566 |
| Number of Shares in issue before the Rights Issue ⁽¹⁾ ('000) | 541,205 | 541,205 |
| EPS before the Rights Issue (Baht) | 2.14 | 1.05 |
| Number of Shares in issue after the Rights Issue ('000) | 784,748 | 784,748 |
| EPS per Share after the Rights Issue (Baht) | 1.47 | 0.72 |

Note:

(1) Number of Shares in issue as at the Latest Practicable Date.

(d) *Gearing*

The gearing of the Company and the Group, before and after the proposed Rights Issue, based on the audited financial statements for FY2008 of the Company and the Group and the unaudited financial statements for 3Q2009 is set out below:-

| | As at 30 September 2008 | | | | As at 30 June 2009 | | | |
|--|----------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|
| | Company | | Group | | Company | | Group | |
| | Before Rights Issue | After Rights Issue | Before Rights Issue | After Rights Issue | Before Rights Issue | After Rights Issue | Before Rights Issue | After Rights Issue |
| Total Borrowings (Baht in millions) ⁽¹⁾ . . . | 88 | 88 | 1,949 | 1,949 | 74 | 74 | 2,156 | 2,156 |
| Shareholders' Funds (Baht in millions) . . | 7,167 | 10,783 | 9,674 | 13,290 | 7,169 | 10,785 | 10,545 | 14,160 |
| Gearing (times) | 0.01 | 0.01 | 0.20 | 0.15 | 0.01 | 0.01 | 0.20 | 0.15 |

Note:

(1) Includes loans and financial lease liabilities.

4. DETAILS OF THE PROPOSED PREFERENTIAL ALLOTMENT OF EXCESS RIGHTS SHARES AND THE PROPOSED ALLOTMENT OF THE REMAINING EXCESS RIGHTS SHARES

4.1 Preferential Allotment of Excess Rights Shares

Registered Shareholders excluding CDP, and Entitled Depositors will be eligible to apply for additional Rights Shares in excess of their Rights under the Rights Issue. The Excess Rights Shares, which are represented by the Rights which are not accepted, taken up or allotted for any reason and the fractional Rights disregarded in accordance with the terms of the Rights Issue, will be aggregated. In the allotment of Excess Rights Shares, it is proposed that preference will be given to satisfy the applications for Excess Rights Shares by the Thai Shareholders, namely TTA, TEF, Oraporn Lerdtuwanon, Sataporn Amornvorapak and Vincent Sriprasidh, such that the aggregate shareholding of the Thai Shareholders represents 50.1% of the total enlarged issued share capital of the Company immediately after the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST.

Such allotment(s) to the Thai Shareholders who apply for Excess Rights Shares shall be made in the proportion of the number of Shares recorded in their names as at the Books Closure Date.

In the event that the aggregate shareholding of the Thai Shareholders will represent 50.1% or more of the total enlarged issued share capital of the Company immediately after the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST after the subscription for their Rights, there will be no Preferential Allotment of Excess Rights Shares to the Thai Shareholders.

Please refer to Appendix 2 to this Circular for a flowchart which sets out the allotment of Excess Rights Shares.

4.2 Rationale of the proposed Preferential Allotment of Excess Rights Shares to the Thai Shareholders

The Directors propose the Preferential Allotment of Excess Rights Shares to ensure that the aggregate number of Shares of the Thai Shareholders represents 50.1% of the total enlarged issued share capital of the Company immediately after the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST so that the Company will not be considered to be a "foreign entity" under the FBA, where a "foreign entity" would include a company with at least 50.0% of its share capital held by non-Thai shareholders. For this purpose, the Shares of Depositors held through CDP would be considered to be Shares held by non-Thai Shareholders.

Under the FBA, a foreign entity is prohibited or restricted from engaging in certain businesses, including the provision of services (the "**Restricted Businesses**") and a foreign entity engaging in Restricted Businesses without the requisite permission is subject to a fine of between Baht 100,000 and Baht 1 million. In addition, the Thai courts will order the cessation or dissolution of such businesses and the directors or representatives of such foreign entity will be subject to imprisonment not exceeding three (3) years, or a fine of between Baht 100,000 and Baht 1 million, or to both.

As the Group is engaged in the business of providing drilling and sub-sea engineering services, which falls within “Restricted Businesses”, and for the reasons given above, the Directors consider the Preferential Allotment of Excess Rights Shares to be necessary.

4.3 Special Interest Transaction

Under the PLCA, the proposed Preferential Allotment of Excess Rights Shares is a transaction in which the Thai Shareholders may be deemed to be preferred over the other Shareholders and therefore have special interests in. As such, the Preferential Allotment of Excess Rights Shares is subject to approval of the Shareholders and the Thai Shareholders shall not be entitled to vote on the resolution in relation to the Preferential Allotment of Excess Rights Shares.

4.4 The proposed allotment of the Remaining Excess Rights Shares

In the allotment of the Remaining Excess Rights Shares, it is proposed that (i) preference be given to satisfy the applications for Excess Rights Shares by Registered Shareholders excluding CDP, and Entitled Depositors for the rounding of odd lots (not being Directors and/or Substantial Shareholders), and (ii) the remainder (if any) to satisfy the applications for Excess Rights Shares by Registered Shareholders excluding CDP, and Entitled Depositors (not being Directors and/or Substantial Shareholders), and (iii) the remainder thereafter (if any) to satisfy the applications for Excess Rights Shares by Registered Shareholders excluding CDP, and Entitled Depositors (being Directors and/or Substantial Shareholders).

In this regard, the details, terms and/or conditions of the above allotment of the Remaining Excess Rights Shares shall be determined by the Board, authorised Directors or other delegates of the Board as they or he may deem fit.

Please refer to Appendix 2 to this Circular for a flowchart which sets out the allotment of Excess Rights Shares.

5. DETAILS OF THE PROPOSED UNDERWRITING ARRANGEMENT AND THE SOLEADO SUB-UNDERWRITING COMMITMENT

5.1 The Underwriting Arrangement

Pursuant to the Management and Underwriting Agreement, the Rights Issue will be fully underwritten by Merrill Lynch, subject to, *inter alia*, the approval of the Shareholders at the EGM for Resolutions 2, 3, 4, 5, 6, 7 and 8.

In consideration of the Manager and Underwriter’s agreement to underwrite the Rights Issue, the Company will pay the Manager and Underwriter an underwriting commission of (i) 1.5% of the Issue Price multiplied by the Pro Rata Shares and (ii) 2.25% of the Issue Price multiplied by the number of Balance Rights Shares.

5.2 The Soleado Sub-underwriting Commitment

As at the Latest Practicable Date, Soleado has a direct interest in 117,648,600 Shares, representing approximately 21.7% of the total issued.

Soleado has entered into the Sub-underwriting Agreement with TTA and Merrill Lynch on 18 September 2009, pursuant to which Soleado has agreed to the Soleado Sub-underwriting Commitment, subject to, *inter alia*, the Management and Underwriting having not been terminated.

Soleado will receive a sub-underwriting commission of (i) 1.5% of the Issue Price multiplied by the Pro Rata Shares and (ii) 2.25% of the Issue Price multiplied by the number of Balance Rights Shares for the Soleado Sub-underwriting Commitment.

The sub-underwriting commission to be paid to Soleado will be paid by the Manager and Underwriter out of its underwriting commission and will not lead to an additional cost to the Company over and above the underwriting commission payable to the Manager and Underwriter.

Pursuant to the Sub-underwriting Agreement, TTA has agreed to guarantee to the Manager and Underwriter the due and punctual payment of all amounts payable by Soleado under the Sub-underwriting Agreement. Further, in the event of Soleado’s failure to fulfil the Soleado Sub-underwriting Commitment, the Manager and Underwriter shall be entitled to treat the Sub-underwriting Agreement as an application by Soleado and/or TTA for the Unsubscribed Rights Shares in such proportion as the Manager and Underwriter

may, at its absolute discretion, determine, and to authorise the Company to allot and issue the same to Soleado and/or TTA and payment therefor at the Issue Price shall be made by Soleado and/or TTA forthwith. TTA is not directly entitled to any commissions under the Sub-underwriting Agreement.

5.3 Rationale for the Soleado Sub-underwriting Commitment

The Directors consider that it is important that the Rights Issue be fully underwritten to provide assurance to the success of the Rights Issue. In addition, the Soleado Sub-underwriting Commitment provides a demonstration of support and commitment, which is likely to boost confidence in the Rights Issue.

5.4 Special Interest Transaction

Under the PLCA, the proposed Soleado Sub-underwriting Commitment is a transaction in which Soleado and TTA are deemed to have special interests. As such, the proposed Soleado Sub-underwriting Commitment is subject to approval of the Shareholders and Soleado and TTA are not entitled to vote on the resolution in relation to the proposed Soleado Sub-underwriting Commitment.

6. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The consolidated financial statements of the Group included herein have been prepared in accordance with Thai GAAP, with the adoption of certain accounting policies based on IFRS. The SGX-ST has granted a waiver in respect of Rule 220(1) of the Listing Manual that would have otherwise required the future periodic reports of the Group to be prepared in accordance with SFRS, IFRS or U.S. GAAP.

6.1 Financial Results

The consolidated profit and loss statement of the Group for the last three FYs, 3Q2008 and 3Q2009 is set out below:

| | <u>FY2006</u> | <u>FY2007</u> | <u>FY2008</u> | <u>3Q2008</u> | <u>3Q2009</u> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> |
| | <u>Audited</u> | | | <u>Unaudited</u> | |
| Service income | 3,116,050 | 4,130,309 | 5,285,443 | 3,608,254 | 3,993,363 |
| Sales | 51,308 | 964 | — | — | — |
| Total service income and sales | 3,167,358 | 4,131,273 | 5,285,443 | 3,608,254 | 3,993,363 |
| Cost of services | (2,131,671) | (2,813,739) | (3,686,546) | (2,467,603) | (2,880,114) |
| Cost of sales | (35,056) | (931) | — | — | — |
| Total costs of services and sales | (2,166,727) | (2,814,670) | (3,686,546) | (2,467,603) | (2,880,114) |
| Gross profits from services and sales | 1,000,631 | 1,316,603 | 1,598,897 | 1,140,651 | 1,113,249 |
| Service and administrative expenses | (422,704) | (729,968) | (731,561) | (717,406) | (358,450) |
| Interest income | 2,260 | 11,053 | 37,975 | 23,105 | 16,018 |
| Gains (losses) on exchange rates | 149,675 | 114,493 | 159,750 | 227,976 | (17,962) |
| Net gains (losses) on disposal and write off of property, plant and equipment and intangible assets | 9,267 | (10,198) | (5,855) | (3,317) | 20,597 |
| Gains on disposal of investment | — | 2,995 | — | — | — |
| Other income | 29,770 | 22,389 | 102,751 | 73,323 | 19,013 |
| Operating profits | 768,899 | 727,367 | 1,161,957 | 744,332 | 792,465 |
| Share of profits of Investments in associates . . | — | — | 32,132 | 20,893 | (15,707) |
| Profits before interest expenses and income taxes | 768,899 | 727,367 | 1,194,089 | 765,225 | 776,758 |
| Interest expenses | (189,297) | (175,263) | (123,994) | (95,520) | (69,528) |
| Profits before income taxes | 579,602 | 552,104 | 1,070,095 | 669,705 | 707,230 |
| Income taxes | (26,869) | (18,817) | 91,962 | 141,567 | (118,986) |
| Net Profit for the year/period | 552,733 | 533,287 | 1,162,057 | 811,272 | 588,244 |

| | <u>FY2006</u> | <u>FY2007</u> | <u>FY2008</u> | <u>3Q2008</u> | <u>3Q2009</u> |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> |
| | <u>Audited</u> | | <u>Unaudited</u> | | |
| Attributable to: | | | | | |
| Shareholders of the parent | 538,336 | 541,082 | 1,156,291 | 811,413 | 565,611 |
| Minority interests | <u>14,397</u> | <u>(7,795)</u> | <u>5,766</u> | <u>(141)</u> | <u>22,633</u> |
| Earnings per share for profits attributable to the shareholders of the parent | | | | | |
| Basic (Baht) | 1.40 | 1.41 | 2.17 | 1.53 | 1.05 |

A review of the operations, business and financial performance of the Group for the last three FYs, 3Q2008 and 3Q2009 is set out below:-

FY2006 compared to FY2007

For FY2007, total sales and service income of the Group were Baht 4,131 million, an increase of Baht 964 million or 30.4%, from Baht 3,167 million for FY2006. The higher revenues was primarily a result of strong performance in the subsea engineering group of the Group, including higher day rates and higher utilisation of the subsea assets of the Group, which was partially offset by lower than expected contributions from the drilling group as a result of rig downtime and a stronger U.S. dollar to Baht exchange rate, which resulted in a decrease in revenues, since revenues are primarily paid in U.S. dollar but converted to Baht for reporting purposes.

Gross profit was Baht 1,317 million, an increase of Baht 316 million or 31.6%. The slight increase in gross profit margin of 0.3% reflects the lower contribution from drilling as mentioned above.

Operating profit was Baht 727 million, a decrease of Baht 42 million or 5.4%. The lower operating profit was a result of higher service and administrative expenses, which were primarily attributable to ongoing rig operating costs during its off-hire period and write offs of certain rig assets due to accidental damage.

Net profit for FY2007 was Baht 533 million, including an exchange gain of Baht 114 million, as compared to a net profit for FY2006 of Baht 553 million, including an exchange gain of Baht 150 million. The majority of the exchange gains were unrealised and primarily occur from translation of foreign currencies into Baht at the year-end date for reporting purposes. Excluding unrealised exchange gains, net profit increased by Baht 16 million or 3.9%.

FY2007 compared to FY2008

For FY2008, total service income and sales of the Group were Baht 5,285 million, an increase of Baht 1,154 million or 27.9%, from Baht 4,131 million for FY2007. The higher revenues were primarily a result of strong performance in the Group's subsea engineering group, including higher day rates and higher utilisation of the Group's subsea assets, which was partially offset by lower than expected contributions from the Group's drilling group as a result of rig downtime, which resulted in a decrease in revenues.

Gross profit was Baht 1,599 million, an increase of Baht 282 million or 21.4%. The slight decrease in the gross profit margin of 1.62% reflects the lower contribution from the Group's drilling group as mentioned above.

Operating profit was Baht 1,162 million, an increase of Baht 435 million or 59.7%. The higher operating profit was a result of higher gross profits as mentioned above and insurance claim income from a fire incident in relation to our tender drilling rig, MTR-1, in the fourth quarter of 2007 of Baht 95 million, while related expenses were recorded in the fourth quarter of 2007.

During the year, the Group recorded deferred tax assets of Baht 154 million, which resulted in a net positive income tax of Baht 92 million as presented in the consolidated statement of income. The deferred tax assets arise mainly from the losses incurred during the year of our tender drilling rig, MTR-2. As the Company anticipates that there will be future taxable profits after the expiration of Board of Investment privileges, these future profits can be offset with the losses carried forward.

Net profit for FY2008 was Baht 1,162 million, including an exchange gain of Baht 160 million, as compared to a net profit for FY2007 of Baht 533 million, including an exchange gain of Baht 114 million. The majority of the exchange gains were unrealised and primarily occur from translation of foreign currencies

into Baht at the year-end date for reporting purposes. Excluding exchange gains and tax effects, net profit increased by Baht 473 million or 108.0%.

3Q2008 compared to 3Q2009

For 3Q2009, total service income of the Group was Baht 3,993 million, an increase of Baht 385 million or 10.7%, from Baht 3,608 million for 3Q2008. The higher revenues were primarily a result of strong performance in the Group's drilling group, including higher day rates and higher utilisation of the Group's drilling assets, which was offset by lower than expected contributions from the Group's subsea engineering group as a result of lower asset utilisation, which resulted in a decrease in revenues.

Gross profit was Baht 1,113 million, a decrease of Baht 27 million or 2.4%. The decrease in the gross profit margin of 3.7% reflects the lower contribution from the Group's subsea engineering group as mentioned above.

Operating profit for 3Q2009 was Baht 792 million, including an exchange loss of Baht 18 million, as compared to an operating profit for 3Q2008 of Baht 744 million, including an exchange gain of Baht 228 million. Excluding exchange gains/losses, operating profits increased by Baht 294 million, or 57.0%. The higher operating profit was a result of a decrease in service and administrative expenses of Baht 359 million which was primarily due to the reclassification of operating expenses in the same period last year (3Q2008), comprising crew, overhead, and depreciation related to assets that went off-hire of Baht 403 million and offset by an increase in staff cost of Baht 46 million from business expansion, offset by a decrease in other income from insurance claim in relation to our tender drilling rig, MTR-1, of Baht 69 million in 3Q2008.

Net profit for 3Q2009 was Baht 588 million, including an exchange loss of Baht 18 million, as compared to a net profit for 3Q2008 of Baht 811 million, including an exchange gain of Baht 228 million. The majority of the exchange gains/losses were unrealised and primarily occur from translation of foreign currencies into Baht at the period-end date for reporting purposes. Excluding exchange gains and tax effects, net profit increased by Baht 283 million or 64.2%.

6.2 Cash Flow

The Group's cash flow position for the last three FYs, 3Q2008 and 3Q2009 is set out below:-

| | <u>FY2006</u> <u>(Baht'000)</u> | <u>FY2007</u> <u>(Baht'000)</u> | <u>FY2008</u> <u>(Baht'000)</u> | <u>3Q2008</u> <u>(Baht'000)</u> | <u>3Q2009</u> <u>(Baht'000)</u> |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | <u>Audited</u> | | | <u>Unaudited</u> | |
| Cash flows from operating activities | | | | | |
| Profits before income taxes | 579,602 | 552,104 | 1,070,095 | 669,705 | 707,230 |
| Adjustments for: | | | | | |
| Depreciation | 438,643 | 498,872 | 561,255 | 429,648 | 411,136 |
| Amortisation of intangible assets | 5,007 | 8,589 | 8,580 | 5,677 | 6,407 |
| Interest expenses | 189,297 | 175,263 | 123,994 | 95,520 | 69,528 |
| Net (gains) losses on disposals and write off of property, plant and equipment and intangible assets | (9,267) | 10,198 | 5,988 | 3,317 | (20,597) |
| Gains on disposals of investment in subsidiaries | — | (2,995) | — | — | — |
| Realised (gains) losses on exchange rates | (4,151) | (16,303) | (10,363) | (32,487) | (30,957) |
| Unrealised (gains) losses on exchange rates | (175,744) | (165,290) | (86,709) | (160,204) | 54,918 |
| Provision (reversal) of bad and doubtful accounts receivable | 11,013 | 1,706 | 9,468 | — | — |
| Retirement benefit obligations | (453) | (2,010) | 2,014 | 4,812 | 5,069 |
| Share of (profits) losses of investments in associates | — | — | (32,132) | (20,893) | 15,707 |

| | <u>FY2006</u> | <u>FY2007</u> | <u>FY2008</u> | <u>3Q2008</u> | <u>3Q2009</u> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|
| | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> |
| | | Audited | | Unaudited | |
| Changes in operating assets and liabilities (excluding the effects of acquisitions and disposals) | | | | | |
| Trade accounts receivables — others | (689,280) | (45,614) | (452,870) | (297,574) | 291,410 |
| Trade accounts receivables — related parties . . . | 5,128 | 15,244 | 109 | 76 | 36 |
| Amounts due from related parties | 1,493 | (12) | (14,163) | (5,333) | 12,730 |
| Inventories | (244) | 864 | — | — | — |
| Supplies and spare parts | (52,853) | (29,348) | (33,934) | (62,697) | 37,017 |
| Other current assets | 87,120 | (90,220) | (111,690) | 41,519 | 268,059 |
| Other non-current assets | (6,658) | (36,120) | 32,376 | (120,791) | (127,719) |
| Trade accounts payable — others | 143,418 | 138,401 | (46,354) | (5,868) | (132,134) |
| Trade accounts payable — related parties | (28,601) | 10,896 | (46,778) | (46,778) | 7,628 |
| Other accounts payable | 29,366 | (7,778) | 3,215 | 29,928 | 190,477 |
| Amounts due to related parties | 7 | 468 | (1,218) | (1,269) | (37) |
| Accrued expenses | 8,857 | 83,854 | (43,517) | (65,690) | 121,662 |
| Other current liabilities | <u>34,465</u> | <u>28,310</u> | <u>44,410</u> | <u>(31,849)</u> | <u>(105,806)</u> |
| Cash generated from operations | 566,165 | 1,129,079 | 981,776 | 428,769 | 1,781,764 |
| Interest paid | (204,759) | (175,263) | (123,502) | (95,771) | (68,132) |
| Income taxes paid | <u>(105,116)</u> | <u>(59,948)</u> | <u>(63,773)</u> | <u>(41,130)</u> | <u>(97,855)</u> |
| Net cash inflows from operating activities . . . | <u>256,290</u> | <u>893,868</u> | <u>794,501</u> | <u>291,868</u> | <u>1,615,777</u> |
| Cash flows from investing activities | | | | | |
| Repayment of short-term loans to related parties | — | — | — | — | 1,140,394 |
| Short-term loans provided to related parties . . . | — | — | (1,147,989) | (32,149) | — |
| Proceeds from disposal of investment in subsidiaries | — | 31,763 | — | — | — |
| Payments for investments in subsidiaries | — | — | (202,784) | (202,784) | (87,296) |
| Payments for investments in associates | — | — | (373,164) | (373,157) | — |
| Payment for long-term investment — other | — | — | — | — | (77,697) |
| Proceeds from disposals of property, plant and equipment and intangible assets | 49,103 | 254,211 | 17,494 | 15,937 | 31,134 |
| Purchases of property, plant and equipment . . . | (690,536) | (716,910) | (3,124,869) | (2,080,122) | (3,130,852) |
| Purchases of intangible assets | <u>(18,014)</u> | <u>(1,666)</u> | <u>(12,941)</u> | <u>(5,983)</u> | <u>(7,299)</u> |
| Net cash outflows from investing activities . . . | <u>(659,447)</u> | <u>(432,602)</u> | <u>(4,844,253)</u> | <u>(2,678,258)</u> | <u>(2,131,616)</u> |
| Cash flows from financing activities | | | | | |
| Net payments for bank overdrafts | 40,059 | (19,785) | (20,274) | (20,274) | — |
| Proceeds from short-term loans from financial institutions | 276,435 | 202,704 | 41,514 | 41,514 | — |
| Repayments of short-term loans from financial institutions | (217,576) | (160,000) | (243,092) | (243,092) | — |
| Repayments of finance lease liabilities | (5,679) | (8,466) | (6,590) | (4,105) | (3,372) |
| Proceeds from long-term loans from financial institutions | 467,651 | 144,036 | 170,565 | — | 841,327 |
| Repayments of long-term loans from financial institutions | (105,680) | (264,227) | (395,882) | (298,018) | (643,098) |

| | <u>FY2006</u> | <u>FY2007</u> | <u>FY2008</u> | <u>3Q2008</u> | <u>3Q2009</u> |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> | <u>(Baht'000)</u> |
| | <u>Audited</u> | | | <u>Unaudited</u> | |
| Dividends paid to minorities | — | (29,141) | — | — | — |
| Payments for capital investment to minorities . . | — | — | (90,547) | (90,547) | — |
| Proceeds from issuance of share capital | — | — | 158,000 | 158,000 | — |
| Proceeds from share premium | — | — | 5,244,439 | 5,247,076 | — |
| Proceeds from issuance of share capital received from minorities | — | — | 325,188 | 172,568 | 260,534 |
| Net cash inflows (outflows) from financing activities. | <u>455,210</u> | <u>(134,879)</u> | <u>5,183,321</u> | <u>4,963,122</u> | <u>455,391</u> |
| Net increase (decrease) in cash and cash equivalents | 52,053 | 326,387 | 1,133,569 | 2,576,732 | (60,448) |
| Cash and cash equivalents at the beginning of the year/period | 133,261 | 185,313 | 511,700 | 511,700 | 1,726,430 |
| Effects of exchange rates. | — | — | 81,161 | 149,450 | (24,861) |
| Cash and cash equivalents at the end of the year/period | <u>185,314</u> | <u>511,700</u> | <u>1,726,430</u> | <u>3,237,882</u> | <u>1,641,121</u> |

A review of the cash flow position of the Group for the FY2008, 3Q2008 and 3Q2009 is set out below:-

FY2008

The Group had net cash provided by operating activities of Baht 795 million. This was due mainly to operating profit before working capital changes of Baht 1,652 million, offset by outflow from working capital changes of Baht 670 million, interest paid of Baht 123 million, and income tax paid of Baht 64 million.

The Group had net cash used in investing activities of Baht 4,844 million. This was due mainly to purchase of property, plant and equipment of Baht 3,125 million, purchase of intangible assets of Baht 13 million, short-term loans provided to related parties of Baht 1,148 million, payments for investments in subsidiaries of Baht 203 million, and payments for investments in associates of Baht 373 million, offset by proceeds from disposals of property, plant and equipment of Baht 18 million.

The Group had net cash provided by financing activities of Baht 5,183 million. This was due mainly to proceeds from issuance of share capital of Baht 158 million, share premium of Baht 5,244 million, issuance of share capital received from minorities of Baht 325 million, short-term loans from financial institutions of Baht 42 million, and long-term loans from financial institutions of Baht 171 million, offset by payments on bank overdrafts of Baht 20 million, short-term loans from financial institutions of Baht 243 million, long-term loans from financial institutions of Baht 396 million, finance lease liabilities of Baht 7 million, and capital investment to minorities of Baht 91 million.

3Q2008

The Group had net cash provided by operating activities of Baht 292 million. This was due mainly to operating profit before working capital changes of Baht 995 million, offset by outflow from working capital changes of Baht 566 million, interest paid of Baht 96 million, and income tax paid of Baht 41 million.

The Group had net cash used in investing activities of Baht 2,678 million. This was due mainly to purchase of property, plant and equipment of Baht 2,080 million, purchase of intangible assets of Baht 6 million, short-term loans provided to related parties of Baht 32 million, payments for investments in subsidiaries of Baht 203 million, and payments for investments in associates of Baht 373 million, offset by proceeds from disposals of property, plant and equipment of Baht 16 million.

The Group had net cash provided by financing activities of Baht 4,963 million. This was due mainly to proceeds from issuance of share capital of Baht 158 million, share premium of Baht 5,247 million, issuance of share capital received from minorities of Baht 172 million, and short-term loans from financial institutions of Baht 42 million, offset by payments on bank overdrafts of Baht 20 million, short-term loans from financial

institutions of Baht 243 million, long-term loans from financial institutions of Baht 298 million, finance lease liabilities of Baht 4 million, and capital investment to minorities of Baht 91 million.

3Q2009

The Group had net cash provided by operating activities of Baht 1,616 million. This was due mainly to operating profit before working capital changes of Baht 1,219 million and inflow from working capital changes of Baht 563 million, interest paid of Baht 68 million, and income tax paid of Baht 98 million.

The Group had net cash used in investing activities of Baht 2,132 million. This was due mainly to purchase of property, plant and equipment of Baht 3,131 million, purchase of intangible assets of Baht 7 million, payments for investments in subsidiaries of Baht 87 million, and payments for other long-term investments of Baht 78 million, offset by a repayment of short-term loans to related parties of Baht 1,140 million and proceeds from disposals of property, plant and equipment of Baht 31 million.

The Group had net cash provided by financing activities of Baht 455 million. This was due mainly to proceeds from issuance of share capital received from minorities of Baht 260 million, and long-term loans from financial institutions of Baht 841 million, offset by payments on long-term loans from financial institutions of Baht 643 million and finance lease liabilities of Baht 3 million.

6.3 Balance Sheet

A summary of the Group's balance sheet at the end of each of the last three FYs, 3Q2008 and 3Q2009 is tabulated as follows:-

| | As at 30 September 2006 <u>(Baht'000)</u> | As at 30 September 2007 <u>(Baht'000)</u> Audited | As at 30 September 2008 <u>(Baht'000)</u> | As at 30 June 2008 <u>(Baht'000)</u> | As at 30 June 2009 <u>(Baht'000)</u> Unaudited |
|---|--|---|--|---|--|
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 185,314 | 511,700 | 1,726,430 | 3,237,882 | 1,641,121 |
| Trade accounts receivable — others, net | 937,001 | 966,140 | 1,461,783 | 1,315,956 | 1,191,361 |
| Trade accounts receivable — related parties | 15,505 | 260 | 152 | 184 | 116 |
| Amounts due from related parties | 78 | 89 | 14,252 | 5,422 | 1,522 |
| Short-term loans to related parties | — | — | 1,147,989 | 32,149 | — |
| Inventories | 23,556 | — | — | — | — |
| Supplies and spare parts | 84,233 | 113,581 | 147,515 | 176,278 | 110,498 |
| Other current assets | <u>125,198</u> | <u>226,892</u> | <u>358,112</u> | <u>198,307</u> | <u>113,636</u> |
| Total current assets | <u>1,370,885</u> | <u>1,818,662</u> | <u>4,856,233</u> | <u>4,966,178</u> | <u>3,058,254</u> |
| Non-current assets | | | | | |
| Investments in associates — equity method | — | — | 405,296 | 394,050 | 389,589 |
| Long-term investment — other | — | — | — | — | 77,697 |
| Property, plant and equipment, net | 4,072,274 | 4,011,342 | 7,492,276 | 5,658,144 | 9,368,875 |
| Goodwill | — | — | 180,898 | 180,898 | 268,194 |
| Intangible assets, net | 17,240 | 10,317 | 16,942 | 10,621 | 16,143 |
| Deferred tax assets | 31,241 | 59,606 | 213,605 | 241,332 | 194,919 |
| Other non-current assets | <u>3,400</u> | <u>45,803</u> | <u>14,352</u> | <u>167,518</u> | <u>142,071</u> |
| Total non-current assets | <u>4,124,155</u> | <u>4,127,068</u> | <u>8,323,369</u> | <u>6,652,563</u> | <u>10,457,488</u> |
| Total assets | <u>5,495,040</u> | <u>5,945,730</u> | <u>13,179,602</u> | <u>11,618,741</u> | <u>13,515,742</u> |

| | As at 30 September 2006 | As at 30 September 2007 | As at 30 September 2008 | As at 30 June 2008 | As at 30 June 2009 |
|---|-------------------------------|-------------------------------|-------------------------------|--------------------------|--------------------------|
| | (Baht'000) | (Baht'000) | (Baht'000) | (Baht'000) | (Baht'000) |
| | | Audited | | Unaudited | |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Bank overdrafts | 40,058 | 20,274 | — | — | — |
| Short-term loans from financial institutions | 160,000 | 201,578 | — | — | — |
| Trade accounts payable — others | 224,570 | 353,796 | 327,150 | 367,636 | 195,016 |
| Trade accounts payable — related parties | 35,882 | 46,778 | — | — | 7,628 |
| Other accounts payable | 29,366 | 20,898 | 952,140 | 54,390 | 310,053 |
| Amounts due to related parties | 801 | 1,269 | 51 | — | 14 |
| Current portion of long-term loans from financial institutions | 272,890 | 406,245 | 416,570 | 399,401 | 419,089 |
| Current portion of finance lease liabilities | 6,477 | 6,010 | 4,587 | 5,827 | 2,802 |
| Income taxes payable | 9,748 | 14,154 | 20,210 | 14,360 | 51,957 |
| Accrued expenses | 21,756 | 104,446 | 74,813 | 51,897 | 197,871 |
| Other current liabilities | <u>85,685</u> | <u>93,330</u> | <u>176,926</u> | <u>65,951</u> | <u>41,816</u> |
| Total current liabilities | <u>887,233</u> | <u>1,268,778</u> | <u>1,972,447</u> | <u>959,462</u> | <u>1,226,246</u> |
| Non-current liabilities | | | | | |
| Long-term loans from financial institutions | 2,207,424 | 1,773,410 | 1,521,857 | 1,438,994 | 1,730,062 |
| Finance lease liabilities | 9,645 | 5,149 | 5,983 | 4,195 | 4,343 |
| Retirement benefit obligations | <u>5,369</u> | <u>3,359</u> | <u>5,373</u> | <u>8,171</u> | <u>10,442</u> |
| Total non-current liabilities | <u>2,222,438</u> | <u>1,781,918</u> | <u>1,533,213</u> | <u>1,451,360</u> | <u>1,744,847</u> |
| Total liabilities | <u>3,109,671</u> | <u>3,050,696</u> | <u>3,505,660</u> | <u>2,410,822</u> | <u>2,971,093</u> |
| Shareholders' equity | | | | | |
| Share capital | | | | | |
| — Registered share capital | 383,205 | 674,537 | 674,537 | 674,537 | 544,903 |
| — Issued and fully paid up | 383,205 | 383,205 | 541,205 | 541,205 | 541,205 |
| Premium on share capital | 1,226,352 | 1,226,352 | 6,470,791 | 6,473,428 | 6,470,791 |
| Translation adjustments for investments in foreign subsidiaries | (4,137) | 496 | (24,536) | 1,780 | (9,227) |
| Retained earnings | | | | | |
| - Appropriated — legal reserve | 5,720 | 5,720 | 39,717 | 32,774 | 39,717 |
| - Unappropriated | <u>598,135</u> | <u>1,139,217</u> | <u>2,261,511</u> | <u>1,923,576</u> | <u>2,827,122</u> |
| Total parent's shareholders' equity | 2,209,275 | 2,754,990 | 9,288,688 | 8,972,763 | 9,869,608 |
| Minority Interests | 176,094 | 140,044 | 385,254 | 235,156 | 675,041 |
| Total shareholders' equity | <u>2,385,369</u> | <u>2,895,034</u> | <u>9,673,942</u> | <u>9,207,919</u> | <u>10,544,649</u> |
| Total liabilities and shareholders' equity | <u>5,495,040</u> | <u>5,945,730</u> | <u>13,179,602</u> | <u>11,618,741</u> | <u>13,515,742</u> |

A review of the financial position of the Group for the last three FYs, 3Q2008 and 3Q2009 is set out below:-

30 September 2006 compared to 30 September 2007

Current assets had increased by Baht 448 million or 32.7% from Baht 1,371 million of FY2006 to Baht 1,819 million of FY2007 due mainly to an increase in (i) cash and cash equivalent of Baht 326 million

which was a result of cash received from disposals of two vessels of a subsidiary, and (ii) trade accounts receivable — others of Baht 29 million resulted from a combination of increased revenues and increased average collection days from 69 days in FY2006 to 84 days in FY2007.

Non-current assets had increased by Baht 3 million or 0.1% from Baht 4,124 million of FY2006 to Baht 4,127 million of FY2007 due mainly to an increase in (i) deferred tax assets of Baht 28 million recognised in FY2007, (ii) deposits for purchase of equipment of Baht 40 million, which were partially offset by a decrease in (i) property, plant and equipment of Baht 61 million and (ii) intangible assets of Baht 7 million. The net decrease in property, plant and equipment was a result of additional payment of a newbuild vessel of Baht 289 million, additional payment for ROV Quasar of Baht 121 million, additional payment for ROV Planther Plus of Baht 37 million, drilling group's equipment of Baht 107 million, and capitalised expense of dry docking of Baht 110 million, which were partially offset by depreciation of Baht 499 million, disposals of two vessels of a subsidiary at net book value of Baht 246 million and an asset written-off from fire incident of Baht 25 million.

Current liabilities had increased by Baht 382 million or 43.1% from Baht 887 million of FY2006 to Baht 1,269 million of FY2007 due mainly to an increase in (i) accounts payable — others of Baht 129 million which was in line with the increase of service activities and longer average payment day from 26 days in FY2006 to 35 days in FY2007, (ii) current portion of long-term loans of Baht 133 million which was a result of the end of grace period for loans in two subsidiaries, and (iii) accrued expenses of Baht 83 million which were primarily from business operations and accrued expenses from the Company's initial public offering at the end of FY2007.

Non-current liabilities had decreased by Baht 440 million or 19.8% from Baht 2,222 million of FY2006 to Baht 1,782 million of FY2007 due mainly to loan repayment and reclassification to current portion of long-term loans.

Shareholders' funds had increased by Baht 510 million or 21.4% from Baht 2,385 million of FY2006 to Baht 2,895 million of FY2007 due mainly to profits generated by the Group during FY2007 of Baht 533 million.

30 September 2007 compared to 30 September 2008

Current assets had increased by Baht 3,037 million or 167.0% from Baht 1,819 million of FY2007 to Baht 4,856 million of FY2008 due mainly to an increase in (i) cash and cash equivalent of Baht 1,215 million which was primarily from remaining proceeds from the Company's initial public offering in FY 2008 and cash generated from operations, (ii) trade accounts receivable — others of Baht 496 million which was a result of an increase in drilling group's revenue of Baht 200 million due mainly to an off-hired of drilling group in Q4 of FY2007 whilst fully operations in Q4 of FY2008, and an increase in subsea engineering group's revenue of Baht 263 million, (iii) short-term loans to related parties of Baht 1,148 which comprised unsecured loan in Malaysian Ringgit of Baht 31 million and unsecured loan in Singapore dollars of Baht 1,117 million, (iv) supplies and spare parts of Baht 34 million which was mainly from a stock of spare parts and supplies for two new vessels of subsea engineering group, and (v) advance to suppliers for purchase of equipment of Baht 135 million.

Non-current assets had increased by Baht 4,196 million or 101.7% from Baht 4,127 million of FY2007 to Baht 8,323 million of FY2008 due mainly to an increase in (i) investments in associates of Baht 405 million which was from the investments in Worldclass Inspiration Sdn. Bhd., (ii) property, plant and equipment of Baht 3,481 million which was a result of additional payments of newbuild tender rig instalments, KM-1, of Baht 2,256 million, a refurbishment cost of tender rig, MTR-2, of Baht 598 million, subsea engineering group's vessels and equipment of Baht 1,105 million and partially offset by depreciation of Baht 561 million, (iii) goodwill of Baht 181 million which was from an investment in a subsidiary, Seascope Surveys Pte. Ltd., and (iv) deferred tax assets of Baht 154 million recognised in FY2008.

Current liabilities had increased by Baht 703 million or 55.4% from Baht 1,269 million of FY2007 to Baht 1,972 million of FY2008 due mainly to an increase in (i) other accounts payable of Baht 931 million which was primarily from outstanding invoices of newbuild tender rig, KM-1, of Baht 924 million, which were partially offset by (i) a repayment of bank overdrafts and short-term loan from financial institutions of Baht 222 million.

Non-current liabilities had decreased by Baht 249 million or 14.0% from Baht 1,782 million of FY2007 to Baht 1,533 million of FY2008 due mainly to a result of loan repayment and weakening in USD.

Shareholders' funds had increased by Baht 6,779 million or 234.2% from Baht 2,895 million of FY2007 to Baht 9,674 million of FY2008 due mainly to (i) profits generated by the Group during FY2008 of Baht 1,162 million and (ii) issuance of share capital and premium on share capital totalling Baht 5,402 million.

30 June 2008 compared to 30 June 2009

Current assets had decreased by Baht 1,908 million or 38.4% from Baht 4,966 million of 3Q2008 to Baht 3,058 million of 3Q2009 due mainly to a decrease in (i) cash and cash equivalent of Baht 1,597 million which was mainly from the repayments of newbuild tender rig and vessel instalments, and loans, (ii) trade accounts receivable — others of Baht 125 million which was from a decrease in collection day from 79 days in 3Q2008 to 78 days in 3Q2009, (iii) short-term loans to related parties of Baht 32 million which was a result of fully settlement, and (iv) supplies and spare parts of Baht 66 million which was from a reduction of fuel oil, lube oil and gas in subsea engineering group's vessels.

Non-current assets had increased by Baht 3,804 million or 57.2% from Baht 6,653 million of 3Q2008 to Baht 10,457 million of 3Q2009 due mainly to an increase in (i) other long-term investment of Baht 78 million which was from the investment in Nemo Subsea IS, (ii) property, plant and equipment of Baht 3,711 million which was a result of additional payments for newbuild tender rig instalments, KM-1, of Baht 2,128 million, newbuild vessel instalments, Mermaid Endurer, of Baht 660 million, saturation diving system instalments of Baht 304 million, ROV support vessel instalments, Mermaid Sapphire, of Baht 443 million, ROVs of Baht 389 million and partially offset by depreciation of Baht 543 million, (iii) goodwill of Baht 87 million which was from the second and final instalment payments in respect of the acquisition of 80% shareholding in Seascapes Surveys Pte. Ltd. transacted in March 2008, which were partially offset by (i) deferred tax assets of Baht 46 million derecognised in 3Q2009.

Current liabilities had increased by Baht 267 million or 27.8% from Baht 959 million of 3Q2008 to Baht 1,226 million of 3Q2009 due mainly to an increase in (i) other accounts payable of Baht 256 million which was mainly from purchase of new build tender rig, KM-1, and other equipment and (ii) accrued expenses for business of Baht 146 million, which were partially offset by (i) trade accounts payable — others of Baht 173 million which was from a decrease in payment day from 33 days in 3Q2008 to 27 days in 3Q2009.

Non-current liabilities had increased by Baht 294 million or 20.3% from Baht 1,451 million of 3Q2008 to Baht 1,745 million of 3Q2009 due mainly to additional loans for subsea engineering group of Baht 1,012 million and an unrealised loss on exchange rate of Baht 40 million, which were partially offset by loan repayments of Baht 741 million.

Shareholders' funds had increased by Baht 1,337 million or 14.5% from Baht 9,208 million of 3Q2008 to Baht 10,545 million of 3Q2009 due mainly to profits generated by the Group during 3Q2009 of Baht 904 million and net increase in minorities of Baht 440 million.

6.4 Working Capital

The working capital of the Group as at the end of the last three FYs, 3Q2008 and 3Q2009 are set out below:

| | As at 30 September 2006 | As at 30 September 2007 | As at 30 September 2008 | As at 30 June 2008 | As at 30 June 2009 |
|-------------------------------------|----------------------------|----------------------------|----------------------------|-------------------------|-----------------------|
| | Baht('000) | Baht('000) Audited | Baht('000) | Baht('000) Unaudited | Baht('000) |
| Total current assets | 1,370,885 | 1,818,662 | 4,856,233 | 4,966,178 | 3,058,254 |
| Total current liabilities | 887,233 | 1,268,778 | 1,972,447 | 959,462 | 1,226,246 |
| Working capital | 483,652 | 549,884 | 2,883,786 | 4,006,716 | 1,832,008 |

FY2006 compared to FY2007

The Group's working capital had increased by Baht 66 million or 13.6% from Baht 484 million of FY2006 to Baht 550 million of FY2007. This was due mainly to an increase in current assets by Baht 448 million, which was offset by an increase in current liabilities by Baht 382 million.

Current assets had increased by Baht 448 million or 32.7% from Baht 1,371 million of FY2006 to Baht 1,819 million of FY2007 due mainly to an increase in (i) cash and cash equivalent of Baht 326 million which was a result of cash received from disposals of two vessels of a subsidiary, and (ii) trade accounts

receivable — others of Baht 29 million resulted from a combination of increased revenues and increased average collection days from 69 days in FY2006 to 84 days in FY2007.

Current liabilities had increased by Baht 382 million or 43.1% from Baht 887 million of FY2006 to Baht 1,269 million of FY2007 due mainly to an increase in (i) accounts payable — others of Baht 129 million which was in line with the increase of service activities and longer average payment day from 26 days in FY2006 to 35 days in FY2007, (ii) current portion of long-term loans of Baht 133 million which was a result of the end of grace period for loans in two subsidiaries, and (iii) accrued expenses of Baht 83 million which were primarily from business operations and accrued expenses from the Company's initial public offering at the end of FY2007.

FY2007 compared to FY2008

The Group's working capital had increased by Baht 2,334 million or 424.4% from Baht 550 million of FY2007 to Baht 2,884 million of FY2008. This was due mainly to an increase in current assets by Baht 3,037 million, which was offset by an increase in current liabilities by Baht 703 million.

Current assets had increased by Baht 3,037 million or 167.0% from Baht 1,819 million of FY2007 to Baht 4,856 million of FY2008 due mainly to an increase in (i) cash and cash equivalent of Baht 1,215 million which was primarily from remaining proceeds from the Company's initial public offering in FY2008 and cash generated from operations, (ii) trade accounts receivable — others of Baht 496 million which was a result of an increase in drilling group's revenue of Baht 200 million due mainly to an off-hired of drilling group in Q4 of FY2007 whilst fully operations in Q4 of FY2008 and an increase in subsea engineering group's revenue of Baht 263 million, (iii) short-term loans to related parties of Baht 1,148 million which comprised unsecured loan in Malaysian Ringgit of Baht 31 million and unsecured loan in Singapore dollars of Baht 1,117 million, (iv) supplies and spare parts of Baht 34 million which was mainly from a stock of spare parts and supplies for two new vessels of subsea engineering group, and (v) advance to suppliers for purchase of equipment of Baht 135 million.

Current liabilities had increased by Baht 703 million or 55.4% from Baht 1,269 million of FY2007 to Baht 1,972 million of FY2008 due mainly to an increase in (i) other accounts payable of Baht 931 million which was primarily from outstanding invoices of newbuild tender rig, KM-1, of Baht 924 million, which were partially offset by (i) a repayment of bank overdrafts and short-term loan from financial institutions of Baht 222 million.

3Q2008 compared to 3Q2009

The Group's working capital had decreased by Baht 2,175 million or 54.3% from Baht 4,007 million of 3Q2008 to Baht 1,832 million of 3Q2009. This was due mainly to a decrease in current assets by Baht 1,908 million, and an increase in current liabilities by Baht 267 million.

Current assets had decreased by Baht 1,908 million or 38.4% from Baht 4,966 million of 3Q2008 to Baht 3,058 million of 3Q2009 due mainly to a decrease in (i) cash and cash equivalent of Baht 1,597 million which was mainly from the repayments of newbuild tender rig and vessel instalments, and loans, (ii) trade accounts receivable — others of Baht 125 million which was from a decrease in collection day from 79 days in 3Q2008 to 78 days in 3Q2009, (iii) short-term loans to related parties of Baht 32 million which was a result of fully settlement, and (iv) supplies and spare parts of Baht 66 million which was from a reduction of fuel oil, lube oil and gas in subsea engineering group's vessels.

Current liabilities had increased by Baht 267 million or 27.8% from Baht 959 million of 3Q2008 to Baht 1,226 million of 3Q2009 due mainly to an increase in (i) other accounts payable of Baht 256 million which was mainly from purchase of new build tender rig, KM-1, and other equipment and (ii) accrued expenses for business of Baht 146 million, which were partially offset by (i) trade accounts payable — others of Baht 173 million which was from a decrease in payment day from 33 days in 3Q2008 to 27 days in 3Q2009.

Operation as a Going Concern

As at the Latest Practicable Date, the Directors are of the opinion that notwithstanding the funds raised from the Rights Issue, the Group's internal resources, operating cashflows and banking facilities would be sufficient to enable the Group to meet its obligations and continue to operate as a going concern.

7. ADEQUACY OF WORKING CAPITAL

As at the Latest Practicable Date, the Directors are of the reasonable opinion that, after taking into account the Group's internal resources, operating cashflow and expected Net Proceeds from the Rights Issue, and barring any unforeseen circumstances, the working capital available to the Group is sufficient to meet the Group's present requirements.

8. BOOKS CLOSURE DATE

Subject to Shareholders' approval of the Rights Issue at the EGM and the Office of the SEC's approval for the Rights Issue, the Books Closure Date for the purpose of determining the entitlements of Shareholders under the Rights Issue will be on 27 October 2009 at 5.00 p.m., or such other time and date as the Directors may determine.

9. DIRECTORS' RECOMMENDATIONS

9.1 Proposed Reduction and Increase in Registered Capital

The Directors⁽¹⁾ recommend that the Shareholders vote in favour of Resolutions 2 and 3 in relation to the Reduction in Registered Capital and the Increase in Registered Capital respectively in order for the Company to undertake the Rights Issue.

9.2 Proposed allocation of 243,542,403 Rights Shares from the Increase In Registered Capital for offering to Registered Shareholders under the Rights Issue

The Directors are of the opinion, for the reasons set out in Section 3.3 of this Circular, that the Rights Issue is in the best interests of the Company and accordingly, recommend that the Shareholders vote in favour of Resolution 4 in relation to the Rights Issue at the EGM.

9.3 Proposed Preferential Allotment of Excess Rights Shares to the Thai Shareholders

M.L. Chandchutha Chandratat, the Executive Chairman of the Company, is also the Managing Director of TTA and Ms Joey Horn, the Non-Executive Director, is also an independent director of TTA. As such, both of them will abstain from making any recommendation as to how Shareholders should vote in respect of the resolution in relation to the Preferential Allotment of Excess Rights Shares.

The Directors (other than Mr Surasak Khaoroptham, M.L. Chandchutha Chandratat and Ms Joey Horn) are of the opinion that, for the reasons set out in Section 4.2 of this Circular, the Preferential Allotment of Excess Rights Shares is in the best interest of the Company and accordingly, recommend that the Shareholders vote in favour of Resolution 5 in relation to the Preferential Allotment of Excess Rights Shares.

9.4 Proposed allotment of the Remaining Excess Rights Shares

The Directors are of the opinion that, the proposed allotment of the Remaining Excess Rights Shares is in the best interest of the Company and accordingly, recommend that the Shareholders vote in favour of Resolution 6 in relation to the proposed allotment of the Remaining Excess Rights Shares.

9.5 Proposed Underwriting of the Rights Issue by Merrill Lynch and the Soleado Sub-underwriting Commitment

The Board considered the terms of the Management and Underwriting Agreement and is of the view that the terms of the Management and Underwriting Agreement agreed between the Company and the Manager and Underwriter (including the commission payable to the Manager and Underwriter and the sub-underwriting commission payable to Soleado are on an arm's length basis and are on normal commercial terms.

In respect of the Soleado Sub-underwriting Commitment, the Board considered and noted the following:

- (a) the rationale for the Soleado Sub-underwriting Commitment as set out under Section 5.3 of this Circular;

⁽¹⁾ Mr Surasak Khaoroptham abstained from taking part in any decisions relating to the EGM. Any reference to the Directors or to the Board in this Section 9 is to a majority of the Directors of the Board.

(b) the written confirmation from the Manager and Underwriter that it had initiated discussions with Soleado for it to provide the Soleado Sub-underwriting Commitment and that it will not fully underwrite the Rights Issue unless Soleado provides the Soleado Sub-underwriting Commitment;

(c) the assumption by TTA and Soleado of market risks for the entire Rights Issue period and the foregoing of the ability to trade their Rights; and

(d) the sub-underwriting commission to be paid to Soleado will be paid by the Manager and Underwriter out of its underwriting commission and will not lead to an additional cost to the Company over and above the underwriting commission payable to the Manager and Underwriter.

Accordingly, the Board is of the opinion that the terms of the Soleado Sub-underwriting Agreement are fair, and not prejudicial to the Company and the other Shareholders.

M.L. Chandchutha Chandratat, the Executive Chairman of the Company, as the Managing Director of TTA and Ms Joey Horn, the Non-Executive Director, as an independent director of TTA, will abstain from making any recommendation as to how Shareholders should vote in respect of the resolution in relation to the underwriting arrangement and the Soleado Sub-underwriting Commitment.

Based on the foregoing, the Directors (other than Mr Surasak Khaoroptham, M.L. Chandchutha Chandratat and Ms Joey Horn) recommend that the Shareholders vote in favour of Resolution 7 in relation to the proposed underwriting of the Rights Issue by Merrill Lynch, and the sub-underwriting by Soleado, and the allotment of the Unsubscribed Rights Shares.

9.6 Proposed grant of authority to the Board, authorised Directors or other delegates of the Board in connection with the Rights Issue

The Directors recommend that the Shareholders vote in favour of Resolution 8 to authorise the Board, authorised Directors or other delegates of the Board to complete and do all such acts and things (including executing all such documents as may be required) as they or he may consider expedient or necessary in relation to the Rights Issue.

10. EXTRAORDINARY GENERAL MEETING

The EGM will be held at 10.00 a.m. (Bangkok time) on 14 October 2009 at Persian Gulf Room, 26/14, 5th Floor, Orakarn Building, Soi Chidlom, Ploenchit Road, Lumpinee, Pathumwan, Bangkok 10330, Thailand for the purpose of considering and, if thought fit, passing with or without modifications, the proposed resolutions set out in the Notice of EGM.

11. ACTION TO BE TAKEN BY SHAREHOLDERS

11.1 Appointment of proxies for Registered Shareholders

If you are a Registered Shareholder and are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on your behalf, you should complete, sign and return the proxy form attached to this Circular in accordance with its printed instructions. The proxy form must be delivered to the chairman of the EGM or a person entrusted by the chairman of the EGM prior to attending the EGM.

11.2 Shareholders who are Depositors

Shareholders who are Depositors cannot vote at the EGM. Such Shareholders who wish to exercise their voting rights in respect of their Shares would be required to complete, sign and return the voting instructions form attached to this Circular in accordance with its printed instructions as soon as possible and, in any event so as to arrive at CDP by 5.00 p.m. on 7 October 2009. CDP will collate all voting instructions received, and will appoint a proxy to attend the EGM and vote pursuant to your instructions.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who have delegated supervision of this Circular) collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm that, having made all reasonable enquiries and to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate in all material respects as at the date of this Circular and that there are no material facts the omission of which would make any statement in this Circular

misleading. Where information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Circular.

13. STATEMENT BY MERRILL LYNCH

Merrill Lynch, as the Manager and Underwriter of the Rights Issue, confirms that, to the best of its knowledge and belief, based on the information provided by the Company, and after making reasonable enquiries, the information about the Rights Issue contained in Sections 3.1, 3.2, 3.4, 3.5, 5.1 and 5.2 above constitutes fair and accurate disclosure of all material facts relating to the Rights Issue as at the date of this Circular, and that it is not aware of any material facts the omission of which would render any statement about the Rights Issue contained in the said Sections misleading in any material respect as at the date of this Circular.

14. CONSENTS

The Manager and Underwriter of the Rights Issue has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and references in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

15. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of each of the following documents are available for inspection at the Company's registered office at 26/28-29, Orakarn Building, 9th Floor, Soi Chidlom, Ploenchit Road, Kwaeng Lumpinee, Khet Pathumwan, Bangkok 10330, Thailand during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the letter of consent referred to in Section 14 above;
- (c) the TTA Irrevocable Undertaking;
- (d) the Company's financial statements for the year ended 30 September 2008; and
- (e) the annual reports of the Company for FY2006, FY2007 and FY2008.

16. ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in Appendix 1 to this Circular.

Yours faithfully
For and on behalf of
the Board of Directors of
Mermaid Maritime Public Company Limited

M.L. Chandchutha Chandratat
Executive Chairman

ADDITIONAL INFORMATION

INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in issued Shares as recorded in the Register of Directors' and Substantial Shareholders' Shareholdings, respectively, as at the Latest Practicable Date are as follows:-

| <u>Directors</u> | <u>Direct Interest</u> | | <u>Deemed Interest</u> | | <u>Total Interest</u> | |
|---------------------------------------|------------------------|----------|------------------------|----------|-----------------------|----------|
| | <u>No. of Shares</u> | <u>%</u> | <u>No. of Shares</u> | <u>%</u> | <u>No. of Shares</u> | <u>%</u> |
| M.L. Chandchutha Chandratat | 260,000 | 0.0481 | — | — | 260,000 | 0.0481 |
| David Stewart Simpson | 122,000 | 0.0225 | — | — | 122,000 | 0.0225 |
| Surasak Khaoroptham | — | — | — | — | — | — |
| Joey Horn | — | — | — | — | — | — |
| Pichet Sithi-Amnuai | — | — | — | — | — | — |
| Leslie George Merszei | — | — | — | — | — | — |
| Ng Chee Keong | — | — | — | — | — | — |
| Lim How Teck | — | — | — | — | — | — |
| Substantial Shareholders | | | | | | |
| TTA ⁽¹⁾ | 191,602,670 | 35.4 | 117,648,600 | 21.7 | 309,251,270 | 57.1 |
| Soleado | 117,648,600 | 21.7 | — | — | 117,648,600 | 21.7 |
| TEF ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ | 81,576,020 | 15.1 | — | — | 81,576,020 | 15.1 |

Notes:

- (1) TTA is deemed to be interested in the 117,648,600 Shares held by Soleado Holdings Pte. Ltd. by virtue of the fact that Soleado Holdings Pte. Ltd. is its wholly-owned subsidiary.
- (2) Lombard Thailand Intermediate Fund LLC is deemed to be interested in the 81,576,020 Shares held by TEF as it has an interest in more than 50.0% of the units in TEF.
- (3) Lombard Thailand Partners LLP is deemed to be interested in the 81,576,020 Shares held by TEF as it has an interest in more than 50.0% of the units in Lombard Thailand Intermediate Fund LLC.
- (4) California Public Employees Retirement System is deemed to be interested in the 81,576,020 Shares held by TEF as it has a 99.0% interest in Lombard Thailand Partners LLP.
- (5) International Finance Corporation is deemed to be interested in the 81,576,020 Shares held by TEF as it has an interest in 20.0% of the units in Lombard Thailand Intermediate Fund LLC.

The interests of the Directors in issued Shares comprised in outstanding Options as at the Latest Practicable Date are as follows:

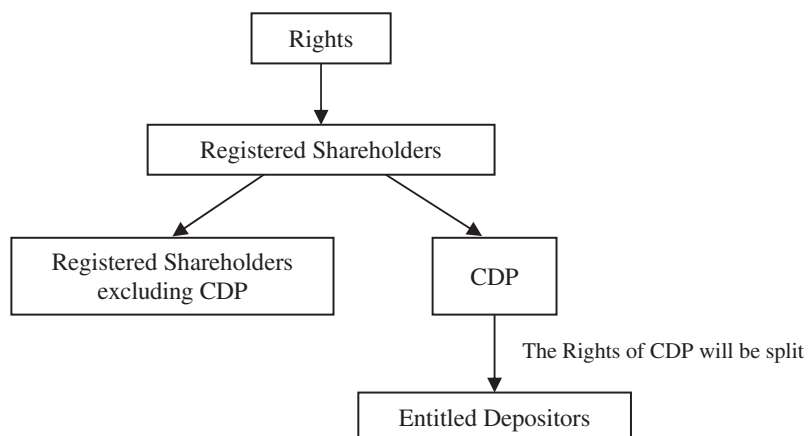
| <u>Directors</u> | <u>No. of Shares Comprised in Outstanding Options</u> |
|---------------------------------------|---|
| M.L. Chandchutha Chandratat | — |
| David Stewart Simpson | 160,000 |
| Surasak Khaoroptham | — |
| Joey Horn | — |
| Pichet Sithi-Amnuai | — |
| Leslie George Merszei | — |
| Ng Chee Keong | — |
| Lim How Teck | — |

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FLOW CHARTS ILLUSTRATING THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES AND THE ALLOTMENT OF EXCESS RIGHTS SHARES

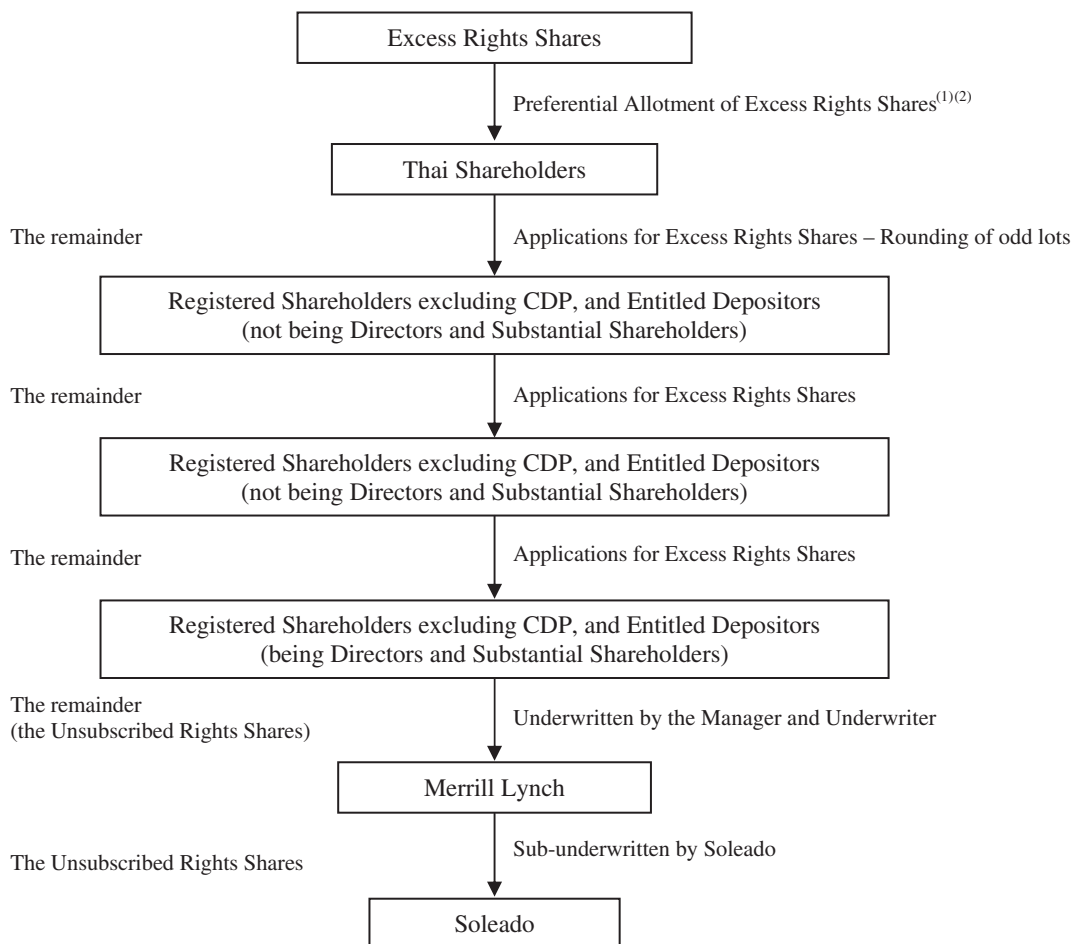
Provisional Allotment of the Rights Shares under the Rights Issue

Subject to the approval of Shareholders for Resolution 2, 3, and 4 in relation to the Rights Issue at the EGM and the Office of the SEC's approval for the Rights Issue, the provisional allotment of the Rights Shares under the Rights Issue is intended to be as follows:



Allotment of the Excess Rights Shares

Subject to the approval of the Shareholders for Resolutions 2, 3, 4, 5, 6 and 7 at the EGM and the Office of the SEC’s approval for the Rights Issue, the allotment of the Excess Rights Shares under the Rights Issue is intended to be as follows:



Notes:

- (1) The Preferential Allotment of Excess Rights Shares such that the aggregate shareholding of the Thai Shareholders represents 50.1% of the total enlarged issued share capital of the Company immediately after the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST. **Such allotment(s) to the Thai Shareholders who apply for Excess Rights Shares shall be made in the proportion of the number of Shares recorded in their names in the Register of Shareholders as at the Books Closure Date.**
- (2) For the avoidance of doubt, in the event that the aggregate shareholding of the Thai Shareholders will represent 50.1% or more of the total enlarged issued share capital of the Company immediately after the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST after the subscription for their Rights, there will be no Preferential Allotment of Excess Rights Shares to the Thai Shareholders.

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