



## MERMAID MARITIME PUBLIC COMPANY LIMITED

(Registered in the Kingdom of Thailand)  
(Company Registration No. 0107550000017)

### Financial Statements and Dividend Announcement for the Period Ended 30 June 2010

#### PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2, & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

##### 1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

|  | Consolidated                                      |           |         |
|--|---|-----------|---------|
|  | For the three-month periods that ended on 30 June |           |         |
|  | 2010  | 2009      | Changes |
|  | Baht'000  | Baht'000  | %       |
| Service income   | 881,394   | 1,459,658 | -39.6%  |
| Cost of services   | (778,442)   | (927,514) | -16.1%  |
| <b>Gross profits</b>   | 102,952   | 532,144   | -80.7%  |
| Interest income  | 1,066   | 1,644     | -35.2%  |
| Other income   | 3,563   | 6,894     | -48.3%  |
| Administrative expenses  | (153,406)   | (106,061) | 44.6%   |
| Gains (losses) on exchange rates   | (11,232)  | (35,726)  | 68.6%   |
| Net gains on disposals and write-off of property, plant,<br>and equipment  | 12,665  | 400       | 3066.3% |
| Net losses on disposals of investments in<br>subsidiaries and an associate | (178,551)   | -         | 100.0%  |
| <b>Operating profits (losses)</b>  | (222,943)   | 399,295   | -155.8% |
| Share of profits of investments<br>in associates                           | 7,157   | 154       | 4547.4% |
| <b>Profits (losses) before finance costs and income taxes</b>              | (215,786)   | 399,449   | -154.0% |
| Finance costs  | (29,785)  | (25,575)  | 16.5%   |
| <b>Profits (losses) before income taxes</b>                                | (245,571)   | 373,874   | -165.7% |
| Income taxes   | (30,221)  | (44,592)  | -32.2%  |
| <b>Net profits (losses) for the period</b>                                 | (275,792)   | 329,282   | -183.8% |
| <b>Attributable to:</b>  |   |           |         |
| Shareholders of the parent   | (269,553)   | 317,221   |         |
| Minority interests   | (6,239)   | 12,061    |         |
|  | (275,792)   | 329,282   |         |
| <b>Notes to the income statements</b>                                      |   |           |         |
| Depreciation and amortisation  | 190,165   | 142,082   |         |



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|  | <b>Consolidated</b>                                     |                 |                |
|--|---|-----------------|----------------|
|  | <b>For the nine-month periods that ended on 30 June</b> |                 |                |
|  | <b>2010</b>   | <b>2009</b>     | <b>Changes</b> |
|  | <b>Baht'000</b>   | <b>Baht'000</b> | <b>%</b>       |
| Service income   | 2,676,978   | 3,993,363       | -33.0%         |
| Cost of services   | (2,355,853)   | (2,880,114)     | -18.2%         |
| <b>Gross profits</b>   | 321,125   | 1,113,249       | -71.2%         |
| Interest income  | 2,255   | 16,018          | -85.9%         |
| Other income   | 9,682   | 19,013          | -49.1%         |
| Administrative expenses  | (409,682)   | (350,358)       | 16.9%          |
| Gains (losses) on exchange rates   | 27,972  | (17,962)        | 255.7%         |
| Net gains on disposals and write-off of property, plant,<br>and equipment  | 14,187  | 20,597          | -31.1%         |
| Net losses on disposals of investments in<br>subsidiaries and an associate | (178,551)   | -               | 100.0%         |
| <b>Operating profits (losses)</b>  | (213,012)   | 800,557         | -126.6%        |
| Share of profits (losses) of investments<br>in associates                  | 19,779  | (15,707)        | 225.9%         |
| <b>Profits (losses) before finance costs and income taxes</b>              | (193,233)   | 784,850         | -124.6%        |
| Finance costs  | (61,293)  | (77,620)        | -21.0%         |
| <b>Profits (losses) before income taxes</b>                                | (254,526)   | 707,230         | -136.0%        |
| Income taxes   | (86,146)  | (118,986)       | -27.6%         |
| <b>Net profits (losses) for the period</b>                                 | (340,672)   | 588,244         | -157.9%        |
| <b>Attributable to:</b>  |   |                 |                |
| Shareholders of the parent   | (341,731)   | 565,611         |                |
| Minority interests   | 1,059   | 22,633          |                |
|  | (340,672)   | 588,244         |                |
| <b>Notes to the income statements</b>                                      |   |                 |                |
| Depreciation and amortisation  | 498,973   | 417,543         |                |



# MERMAID MARITIME PUBLIC COMPANY LIMITED

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## 1 (b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

|  | Consolidated                             |   | Company                                  |   |
|--|--|---|--|---|
|  | Unaudited<br>30 June<br>2010<br>Baht'000 | Audited<br>30 September<br>2009<br>Baht'000 | Unaudited<br>30 June<br>2010<br>Baht'000 | Audited<br>30 September<br>2009<br>Baht'000 |
| <b>Assets</b>  |  |   |  |   |
| <b>Current assets</b>  |  |   |  |   |
| Cash and cash equivalents  | 1,435,214                                | 1,450,525                                   | 384,944                                  | 224,140                                     |
| Short-term investments   | 969,620                                  | 334,217                                     | 969,620                                  | 334,217                                     |
| Trade accounts receivable - others, net                            | 925,590                                  | 1,036,688                                   | -  | -   |
| Trade accounts receivable - related parties                        | 34                                       | 113   | -  | -   |
| Amounts due from related parties                                   | 1,731                                    | 1,953                                       | 530,368                                  | 474,045                                     |
| Short-term loans to related parties                                | -  | -   | 3,319,250                                | 737,102                                     |
| Supplies and spare parts   | 133,541                                  | 112,940                                     | -  | -   |
| Investments in associate classified as held for sale               | 407,746                                  | -   | 410,000                                  | -   |
| Other receivables  | 1,836,333                                | -   | -  | -   |
| Other current assets   | 153,362                                  | 137,014                                     | 11,126                                   | 16,054                                      |
| <b>Total current assets</b>  | <b>5,863,171</b>                         | <b>3,073,450</b>                            | <b>5,625,308</b>                         | <b>1,785,558</b>                            |
| <b>Non-current assets</b>  |  |   |  |   |
| Investments in subsidiaries - cost method                          | -  | -   | 4,995,728                                | 5,237,264                                   |
| Investments in associates - equity method                          | -  | 387,967                                     | -  | -   |
| Other long-term investments  | -  | 77,697                                      | -  | -   |
| Property, plant, and equipment, net                                | 12,016,909                               | 10,300,959                                  | 178,177                                  | 189,264                                     |
| Goodwill   | 332,277                                  | 266,310                                     | -  | -   |
| Intangible assets, net   | 18,299                                   | 16,101                                      | 528                                      | 959   |
| Deferred expenses, net   | 53,213                                   | 84,203                                      | -  | -   |
| Deferred tax assets, net   | 201,258                                  | 228,424                                     | -  | -   |
| Other non-current assets   | 114,360                                  | 120,397                                     | 569                                      | 569   |
| <b>Total non-current assets</b>                                    | <b>12,736,316</b>                        | <b>11,482,058</b>                           | <b>5,175,002</b>                         | <b>5,428,056</b>                            |
| <b>Total assets</b>  | <b>18,599,487</b>                        | <b>14,555,508</b>                           | <b>10,800,310</b>                        | <b>7,213,614</b>                            |
| <b>Liabilities and shareholders' equity</b>                        |  |   |  |   |
| <b>Current liabilities</b>   |  |   |  |   |
| Trade accounts payable - others                                    | 164,040                                  | 173,569                                     | -  | -   |
| Trade accounts payable - related parties                           | 5,615                                    | 9,958                                       | -  | -   |
| Other accounts payable   | 168,613                                  | 826,858                                     | 1,359                                    | 2,567                                       |
| Amounts due to related parties                                     | 14                                       | 29  | 325,880                                  | 33  |
| Current portion of long-term loans<br>from financial institutions  | 818,733                                  | 466,834                                     | 24,800                                   | 24,800                                      |
| Current portion of finance lease liabilities                       | 1,069                                    | 2,420                                       | -  | 774   |
| Income taxes payable   | 22,149                                   | 55,484                                      | -  | -   |
| Accrued expenses   | 172,056                                  | 107,368                                     | 14,423                                   | 800   |
| Current portion of employee benefit obligations                    | 84,095                                   | 115,560                                     | -  | -   |
| Other current liabilities  | 60,045                                   | 29,998                                      | 10,466                                   | 8,796                                       |
| <b>Total current liabilities</b>                                   | <b>1,496,429</b>                         | <b>1,788,078</b>                            | <b>376,928</b>                           | <b>37,770</b>                               |
| <b>Non-current liabilities</b>                                     |  |   |  |   |
| Long-term loans from financial institutions                        | 3,878,007                                | 2,073,459                                   | 17,400                                   | 36,000                                      |
| Finance lease liabilities  | 3,853                                    | 4,021                                       | -  | -   |
| Employee benefit obligations                                       | 22,030                                   | 33,285                                      | 3,631                                    | 2,960                                       |
| <b>Total non-current liabilities</b>                               | <b>3,903,890</b>                         | <b>2,110,765</b>                            | <b>21,031</b>                            | <b>38,960</b>                               |
| <b>Total liabilities</b>   | <b>5,400,319</b>                         | <b>3,898,843</b>                            | <b>397,959</b>                           | <b>76,730</b>                               |
| <b>Shareholders' equity</b>  |  |   |  |   |
| Share capital  |  |   |  |   |
| Registered share capital   | 790,607                                  | 544,903                                     | 790,607                                  | 544,903                                     |
| Issued and fully paid-up   | 784,748                                  | 541,205                                     | 784,748                                  | 541,205                                     |
| Premium on share capital   | 9,819,899                                | 6,470,791                                   | 9,819,899                                | 6,470,791                                   |
| Translation adjustments for investments in<br>foreign subsidiaries | (171,181)                                | (30,384)                                    | -  | -   |
| Retained earnings  |  |   |  |   |
| Appropriated - legal reserves                                      | 39,717                                   | 39,717                                      | 39,717                                   | 39,717                                      |
| Unappropriated   | 2,634,265                                | 2,975,996                                   | (242,013)                                | 85,171                                      |
| <b>Total parent's shareholders' equity</b>                         | <b>13,107,448</b>                        | <b>9,997,325</b>                            | <b>10,402,351</b>                        | <b>7,136,884</b>                            |
| Minority interests   | 91,720                                   | 659,340                                     | -  | -   |
| <b>Total shareholders' equity</b>                                  | <b>13,199,168</b>                        | <b>10,656,665</b>                           | <b>10,402,351</b>                        | <b>7,136,884</b>                            |
| <b>Total liabilities and shareholders' equity</b>                  | <b>18,599,487</b>                        | <b>14,555,508</b>                           | <b>10,800,310</b>                        | <b>7,213,614</b>                            |



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**1 (b)(ii) Aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-**

- (a) the amount repayable in one year or less, or on demand;**
- (b) the amount repayable after one year;**
- (c) whether the amounts are secured or unsecured; and**
- (d) details of any collaterals.**

|  | <b>As at 30 June 2010</b> |                  |                  |
|--|---------------------------|------------------|------------------|
|  | <b>Secured</b>            | <b>Unsecured</b> | <b>Total</b>     |
|  | <b>Baht'000</b>           | <b>Baht'000</b>  | <b>Baht'000</b>  |
| Amount repayable in one year or less, or on demand (*) | 471,534                   | 348,268          | <b>819,802</b>   |
| Amount repayable after one year (*)                    | 2,349,535                 | 1,532,325        | <b>3,881,860</b> |

|  | <b>As at 30 September 2009</b> |                  |                  |
|--|--------------------------------|------------------|------------------|
|  | <b>Secured</b>                 | <b>Unsecured</b> | <b>Total</b>     |
|  | <b>Baht'000</b>                | <b>Baht'000</b>  | <b>Baht'000</b>  |
| Amount repayable in one year or less, or on demand (*) | 213,167                        | 256,087          | <b>469,254</b>   |
| Amount repayable after one year (*)                    | 731,254                        | 1,346,226        | <b>2,077,480</b> |

(\*) Including bank overdrafts, short-term loans from financial institutions, and current portions of long-term loans and finance leases, if any.

As at 30 June 2010, there are land and buildings, one saturation diving system, three remotely operated vehicles ("ROV"), and two tender rigs that are mortgaged with various banks as collateral for their overdrafts and loan facilities. For more details, please read the unaudited condensed notes to the interim consolidated and company financial statements for the nine-month period that ended on 30 June 2010, which are available in the SGX's website and the Company's website.

As at 30 June 2010, the Company in its capacity as a guarantor for loans undertaken by subsidiaries had breached a guarantor loan covenant. The Company's management has already commenced discussions with the relevant banks and is of the opinion that the outcome will not result in a material adverse effect.



**MERMAID MARITIME PUBLIC COMPANY LIMITED**  
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**1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

|  | Consolidated                                     |                  |
|--|--|------------------|
|  | For the nine-month periods that ended on 30 June |                  |
|  | 2010   | 2009             |
|  | Baht'000   | Baht'000         |
| <b>Cash flows from operating activities</b>  |  |                  |
| Profits (losses) before income taxes   | (254,526)  | 707,230          |
| Adjustments for:   |  |                  |
| Depreciation   | 487,751  | 411,136          |
| Amortisation of intangible assets  | 11,222   | 6,407            |
| Finance costs  | 61,293   | 77,620           |
| Net gains on disposals and write-off of property and equipment                                     | (14,187)   | (20,597)         |
| Net losses on disposals of investments in subsidiaries and an associate                            | 178,551  | -                |
| Realised (gains) losses on exchange rates  | 5,533  | (37,206)         |
| Unrealised (gains) losses on exchange rates  | (33,505)   | 55,168           |
| Employee benefit obligations   | 67,222   | 5,069            |
| Share of (profits) losses of investments in associates   | (19,779)   | 15,707           |
| Exchange differences from conversion of overseas companies   | (42,778)   | 23,586           |
| Changes in operating assets and liabilities<br>(excluding the effects of acquisition and disposal) |  |                  |
| - Trade accounts receivable - others   | 464,918  | 291,410          |
| - Trade accounts receivable - related parties  | 79   | 36               |
| - Amounts due from related parties   | 222  | 12,730           |
| - Supplies and spare parts   | (20,601)   | 37,017           |
| - Other current assets   | (277,477)  | 244,473          |
| - Deferred expenses  | 14,613   | -                |
| - Other non-current assets   | 6,025  | (127,719)        |
| - Trade accounts payable - others  | (287,320)  | (126,463)        |
| - Trade accounts payable - related parties   | (4,343)  | 7,628            |
| - Other accounts payable   | 67,620   | 190,477          |
| - Amounts due to related parties   | (15)   | (37)             |
| - Accrued expenses   | 64,984   | 121,662          |
| - Other current liabilities  | (35,701)   | (105,478)        |
| Cash generated from operations   | 439,801  | 1,789,856        |
| - Finance costs paid   | (57,682)   | (76,224)         |
| - Income taxes paid  | (98,078)   | (97,855)         |
| - Employee benefits paid   | (109,942)  | -                |
| <b>Net cash inflows from operating activities</b>  | <b>174,099</b>                                   | <b>1,615,777</b> |



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|   | <b>Consolidated</b>                                     |                    |
|---|---|--------------------|
|   | <b>For the nine-month periods that ended on 30 June</b> |                    |
|   | <b>2010</b>   | <b>2009</b>        |
|   | <b>Baht'000</b>   | <b>Baht'000</b>    |
| <b>Cash flows from investing activities</b>                             |   |                    |
| Repayments of short-term loans to related parties                       | -   | 1,140,394          |
| Payments for short-term investments                                     | (623,383)   | -                  |
| Payments for investments in subsidiaries                                | (492,348)   | (87,296)           |
| Net proceeds from disposals of investments in subsidiaries              | 323,235   | -                  |
| Payments for other long-term investments                                | -   | (77,697)           |
| Proceeds from disposals of property and equipment and intangible assets | 79,632  | 31,134             |
| Purchases of property and equipment                                     | (5,562,963)   | (3,130,852)        |
| Purchases of intangible assets  | (12,311)  | (7,299)            |
| <b>Net cash outflows from investing activities</b>                      | <b>(6,288,138)</b>                                      | <b>(2,131,616)</b> |
| <b>Cash flows from financing activities</b>                             |   |                    |
| Repayments of finance lease liabilities                                 | (2,271)   | (3,372)            |
| Proceeds from long-term loans from financial institutions               | 2,905,790   | 841,327            |
| Repayments of long-term loans from financial institutions               | (358,181)   | (643,098)          |
| Proceeds from issuance of share capital                                 | 243,543   | -                  |
| Net proceeds from share premium   | 3,349,108   | -                  |
| Proceeds from issuance of share capital received from minorities        | -   | 260,534            |
| <b>Net cash inflows from financing activities</b>                       | <b>6,137,989</b>  | <b>455,391</b>     |
| <b>Net increase (decrease) in cash and cash equivalents</b>             | <b>23,950</b>   | <b>(60,448)</b>    |
| Cash and cash equivalents at the beginning of the period                | 1,450,525   | 1,726,430          |
| Effects of exchange rates   | (39,261)  | (24,861)           |
| <b>Cash and cash equivalents at the end of the period</b>               | <b>1,435,214</b>  | <b>1,641,121</b>   |



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**1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

|   | Consolidated : for the nine-month period that ended on 30 June 2010 |                             |   |                |  |                       | Baht' 000         |
|---|---|-----------------------------|---|----------------|--|-----------------------|-------------------|
|   | Issued and<br>paid-up<br>share capital                              | Premium on<br>share capital | Translation<br>adjustments<br>for<br>investments<br>in<br>foreign<br>subsidiaries | Legal reserves | Unappropriated<br>retained<br>earnings | Minority<br>interests | Total             |
| <b>Beginning balance as at 1 October 2009</b>                   | 541,205   | 6,470,791                   | (30,384)  | 39,717         | 2,975,996                              | 659,340               | 10,656,665        |
| Issuance of shares  | 243,543   | 3,349,108                   | -   | -              | -                                      | -                     | 3,592,651         |
| Effect of disposals of investments in subsidiaries              | -   | -                           | -   | -              | -                                      | (566,644)             | (566,644)         |
| Net losses for the period                                       | -   | -                           | -   | -              | (341,731)                              | 1,059                 | (340,672)         |
| Translation adjustments for investments in foreign subsidiaries | -   | -                           | (140,797)   | -              | -                                      | (2,035)               | (142,832)         |
| <b>Ending balance as at 30 June 2010</b>                        | <b>784,748</b>  | <b>9,819,899</b>            | <b>(171,181)</b>  | <b>39,717</b>  | <b>2,634,265</b>                       | <b>91,720</b>         | <b>13,199,168</b> |

|   | Company : for the nine-month period that ended on 30 June 2010 |                             |                |  | Baht' 000         |
|---|--|-----------------------------|----------------|--|-------------------|
|   | Issued and<br>paid-up<br>share capital                         | Premium on<br>share capital | Legal reserves | Unappropriated<br>retained<br>earnings | Total             |
| <b>Beginning balance as at 1 October 2009</b> | 541,205  | 6,470,791                   | 39,717         | 85,171                                 | 7,136,884         |
| Issuance of shares                            | 243,543  | 3,349,108                   | -              | -                                      | 3,592,651         |
| Net losses for the period                     | -  | -                           | -              | (327,184)                              | (327,184)         |
| <b>Ending balance as at 30 June 2010</b>      | <b>784,748</b>   | <b>9,819,899</b>            | <b>39,717</b>  | <b>(242,013)</b>                       | <b>10,402,351</b> |



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Consolidated : for the nine-month period that ended on 30 June 2009

Baht' 000

|   | Issued and<br>paid-up<br>share capital | Premium on<br>share capital | Translation<br>adjustments<br>for<br>investments<br>in<br>foreign<br>subsidiaries | Legal reserves | Unappropriated<br>retained<br>earnings | Minority<br>interests | Total             |
|---|--|-----------------------------|---|----------------|--|-----------------------|-------------------|
| <b>Beginning balance as at 1 October 2008</b>                   | 541,205                                | 6,470,791                   | (24,536)  | 39,717         | 2,261,511                              | 385,254               | 9,673,942         |
| Issuance of shares in subsidiaries                              | -                                      | -                           | -   | -              | -                                      | 260,534               | 260,534           |
| Net profits for the period                                      | -                                      | -                           | -   | -              | 565,611                                | 22,633                | 588,244           |
| Translation adjustments for investments in foreign subsidiaries | -                                      | -                           | 15,309  | -              | -                                      | 6,620                 | 21,929            |
| <b>Ending balance as at 30 June 2009</b>                        | <b>541,205</b>                         | <b>6,470,791</b>            | <b>(9,227)</b>  | <b>39,717</b>  | <b>2,827,122</b>                       | <b>675,041</b>        | <b>10,544,649</b> |

Company : for the nine-month period that ended on 30 June 2009

Baht' 000

|   | Issued and<br>paid-up<br>share capital | Premium on<br>share capital | Legal reserves | Unappropriated<br>retained<br>earnings | Total            |
|---|--|-----------------------------|----------------|--|------------------|
| <b>Beginning balance as at 1 October 2008</b> | 541,205                                | 6,470,791                   | 39,717         | 115,730                                | 7,167,443        |
| Net profits for the period                    | -                                      | -                           | -              | 1,673                                  | 1,673            |
| <b>Ending balance as at 30 June 2009</b>      | <b>541,205</b>                         | <b>6,470,791</b>            | <b>39,717</b>  | <b>117,403</b>                         | <b>7,169,116</b> |





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**1 (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

|   | Par value<br>Baht | Number of<br>registered<br>ordinary<br>shares<br>Shares'000 | Issued and<br>paid-up<br>ordinary<br>shares<br>Shares'000 | Premium<br>on share<br>capital<br>Baht'000 | Total<br>Baht'000 |
|---|-------------------|---|---|--|-------------------|
| As at 30 September 2009                 | 1                 | 544,903   | 541,205   | 6,470,791                                  | 7,011,996         |
| Decrease in number of shares registered | 1                 | (5,190)   | -   | -  | -                 |
| Issuance of shares                      | 1                 | 250,894   | 243,543   | 3,349,108                                  | 3,592,651         |
| As at 30 June 2010                      | 1                 | 790,607   | 784,748   | 9,819,899                                  | 10,604,647        |

At the Extraordinary General Meeting of Shareholders No.1/2009 held on 14 October 2009, there were significant matters approved by the shareholders as follows:

- A reduction in the registered share capital of the Company from Baht 544,903,340 to Baht 541,903,340 by means of the cancellation of 3,000,000 ordinary shares with a par value of Baht 1 each that have remained unissued or unallocated under ESOP 2009. The reduction in the registered share capital was registered with the Ministry of Commerce on 15 October 2009.
- An increase in the registered share capital of the Company from Baht 541,903,340 to Baht 788,797,743 by means of issuance of 246,894,403 new ordinary shares with a par value of Baht 1 each. The increase in the registered share capital was registered with the Ministry of Commerce on 16 October 2009.
- The allocation of 243,542,403 rights shares from the increase in registered share capital for offering to registered shareholders. The rights shares issue will be offered at an issue price of SGD 0.64 for each rights share on the basis of nine new ordinary shares for every twenty existing ordinary shares with a par value of Baht 1 each in the capital of the Company.
- The allocation of 352,000 new shares from the increase in registered share capital to provide for the adjustments of the options under ESOP 2008 and the allocation of 3,000,000 new shares from the increase in registered share capital for distribution under ESOP 2009.



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On 19 November 2009, the Company received the rights issue proceeds of Baht 3,696.1 million from shareholders. The proceeds are split into an increase in share capital of Baht 243.5 million and share premium of Baht 3,452.6 million before deducting expenses relating to the rights issue. The additional paid-up share capital was registered with the Ministry of Commerce on 23 November 2009.

At the Annual General Meeting of Shareholders No.1/2010 held on 28 January 2010, there were significant matters approved by the shareholders as follows:

- A reduction in the registered share capital of the Company from Baht 788,797,743 to Baht 786,607,343 by means of the cancellation of 2,190,400 ordinary shares with a par value of Baht 1 each that have remained unissued or unallocated under the Employee Stock Option Plans (“ESOP”) for 2008 and 2009.
- The issue and offer up to 4,000,000 free warrants to directors and employees of the Company or subsidiaries under ESOP 2010 pursuant to its terms.
- An increase in the registered share capital of the Company from Baht 786,607,343 to Baht 790,607,343 by means of issuance of 4,000,000 new ordinary shares with a par value of Baht 1 each.
- The allocation of 4,000,000 new ordinary shares from the increase in registered share capital for distribution under ESOP 2010.

The ESOP 2010 was subsequently approved by the Annual General Meeting of Shareholders No. 1/2010 held on 29 January 2010 of Thoresen Thai Agencies Public Company Limited, the parent company, as required by the notification No. Tor Jor 32/2551 of the Securities and Exchange Commission of Thailand.

There was no transaction of treasury shares during the periods that ended on 30 June 2010 and 2009.

As at 30 June 2010 and 2009, the registered share capital of the Company was Baht 790,607,343 and Baht 544,903,340, respectively.

As at 30 June 2010 and 2009, the paid-up share capital of the Company was Baht 784,747,743 and Baht 541,205,340, respectively.

### **1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of immediately preceding year.**

As at 30 June 2010 and 30 September 2009, the issued shares of the Company were 784,747,743 shares and 541,205,340 shares with a par value of Baht 1 per share, respectively.

As at 30 June 2010 and 30 September 2009, there were no outstanding treasury shares.



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### **1 (d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable, since the Company has not transacted treasury shares during the period that ended on 30 June 2010.

### **2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have been prepared in accordance with Thai generally accepted accounting principle (“Thai GAAP”) and reviewed by the Company’s auditor, PricewaterhouseCoopers ABAS Limited, except for item 13 in this announcement regarding “A Reconciliation of Difference between Thai GAAP to IFRS” which is provided by the Company.

### **3. Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of a matter).**

Based on the auditor’s reviews, nothing has come to their attention that causes them to believe that the interim consolidated and company financial statements for the third quarter that ended on 30 June 2010 are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The signed auditor’s report is on page 1 of the interim consolidated and company financial statements for the third quarter that ended on 30 June 2010, which is reported together with this announcement and is available in the SGX’s website and the Company’s website.

### **4. Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.**

The same accounting policies and methods of computation as in the Group’s most recently audited annual Thai GAAP financial statements have been applied.

### **5. If there are any changes in the accounting policies and methods of computation, including any required by and accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

There has been no change in the accounting policies and methods of computation during the third quarter that ended on 30 June 2010.



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### 6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

- (a) Based on the weighted average number of ordinary shares on issue; and
- (b) On a fully diluted basis (detailing any adjustments made to the earnings).

Basic earnings (losses) per share are calculated by dividing the net profits (losses) attributable to the ordinary shareholders of the parent by the weighted average number of paid-up ordinary shares in issue during the period.

For the purpose of calculating diluted earnings (losses) per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company has an Employee Share Option Plan in issue.

A calculation is done to determine the number of shares that could have been acquired at market price (determined as the average share price of the Company's shares during the period) based on the outstanding Employee Share Option Plan to determine the number of potential ordinary shares would have been additionally issued. The potential shares are added to the ordinary shares outstanding but no adjustment is made to net profit.

For the calculation of the diluted earnings (losses) per share, the weighted average number of shares assuming conversion of all dilutive potential ordinary shares for the three-month and nine-month periods that ended on 30 June 2010 are 497,202 shares and 513,708 shares, respectively (30 June 2009: 73,485 shares and 44,616 shares, respectively).

|  | For the three-month periods that ended on<br>30 June |         |           |          |
|--|--|---------|-----------|----------|
|  | Consolidated   |         | Company   |          |
|  | 2010   | 2009    | 2010      | 2009     |
| Net profits (losses) for the period attributable to ordinary shareholders of the parent (Baht'000) | (269,553)  | 317,221 | (206,185) | (38,483) |
| Weighted average number of ordinary shares (Shares'000)  | 784,748  | 541,278 | 784,748   | 541,278  |
| Basic and diluted earnings (losses) per share (Baht)   | (0.34)   | 0.59    | (0.26)    | (0.07)   |



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|  | For the nine-month periods that ended on<br>30 June |         |           |         |
|--|---|---------|-----------|---------|
|  | Consolidated  |         | Company   |         |
|  | 2010  | 2009    | 2010      | 2009    |
| Net profits (losses) for the period attributable to ordinary shareholders of the parent (Baht'000) | (341,731)   | 565,611 | (327,184) | 1,673   |
| Weighted average number of ordinary shares (Shares'000)  | 737,467   | 541,250 | 737,467   | 541,250 |
| Basic and diluted earnings (losses) per share (Baht)   | (0.46)  | 1.05    | (0.44)    | 0.00    |

There is no significant impact from dilutive potential ordinary shares in issue during the three-month and nine-month periods that ended on 30 June 2010 and 2009.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

|  | Consolidated |           | Company   |           |
|--|--------------|-----------|-----------|-----------|
|  | 30-Jun-10    | 30-Sep-09 | 30-Jun-10 | 30-Sep-09 |
|  | Baht         | Baht      | Baht      | Baht      |
| Net asset value per ordinary share based on the total number of issued shares excluding treasury shares as at end of respective period | 16.82        | 19.69     | 13.26     | 13.19     |

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**Consolidated Income Statements**

For 3QFY10, total service income of the Group was Baht 881 million, a decrease of Baht 579 million, or 39.7%, from Baht 1,460 million for the three-month period that ended on 30 June 2009 ("3QFY09").



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The lower revenues were a result of 1) lower day rates and asset utilisation in our subsea engineering group, which resulted in revenues of Baht 340 million (excluding revenues from Subtech of Baht 88 million in 3QFY10), or a 41.6% decrease from Q3FY09; lower asset utilisation in our drilling group, which resulted in revenues of Baht 347 million, or a 57.2% decrease from 3QFY09, offset by 2) contributions of Subtech as mentioned above. On the subsea engineering side, utilisation rates for 3QFY10 were 56.6%, compared to 64.1% for 3QFY09. In addition, we have observed downward pressure on day rates, as contractors compete for the same limited but immediately available contracts continuing from the previous quarter. On the drilling side, utilisation rates declined from 99.1% in 3QFY09 to 50.0% in 3QFY10 as only one rig, MTR-2, was working as compared with two rigs working in 3QFY09. However, another rig, MTR-1, has been awarded a barge accommodation contract in Saudi Arabia and is scheduled to mobilise on 11 August 2010. Revenues including mobilisation fee from this contract will be earned commencing on the first day of the mobilisation period.

Gross profits were Baht 103 million, a decrease of Baht 429 million, or 80.6%, from gross profits of Baht 532 million for 3QFY09. The subsea engineering group generated gross losses of Baht 10 million (2.0% margin), excluding gross profits from Subtech of Baht 42 million, while the drilling group generated gross profits of Baht 46 million (17.5% margin). The decrease of gross profits was mainly due to the lower revenues generated in the quarter, while fixed costs, such as minimum crews on board and depreciation, were still incurred.

Administrative expenses were Baht 153 million, an increase of Baht 47 million, or 44.3%, from Baht 106 million for 3QFY09. The increase was primarily due to administrative expenses of Subtech, which was acquired in February of 2010, and Nemo Subsea, which was acquired since the first quarter of 2010, of Baht 28 million, staff costs of Baht 9.9 million, and depreciation of Baht 2.1 million.

Operating losses were Baht 223 million, a decrease of Baht 622 million, or 155.9%, from operating profits of Baht 399 million for 3QFY09.

Finance costs were Baht 30 million, an increase of Baht 4 million, or 15.4%, from Baht 26 million for 3QFY09. The higher costs were due to a higher average loan balance of Baht 3,618.5 million in 3QFY2010 compared to Baht 2,043.8 million in 3QFY09.

Income taxes were Baht 30 million, a decrease of Baht 15 million, or 33.3%, from Baht 45 million for 3QFY09. The decrease income taxes were mainly due to the completion of the MTR-1 contract in 4QFY09, which resulted in a decrease in taxes derived and paid in Indonesia.

Net losses were Baht 276 million, including an exchange loss of Baht 11 million, as compared to net profits for 3QFY09 of Baht 329 million, including an exchange loss of Baht 36 million. Excluding exchange loss and income taxes, net losses increased by Baht 644 million, or 157.1%. The decrease was primarily due to lower asset utilisation and day rates as mentioned above.



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### Business Segment Analysis

**Drilling:** The drilling segment generated 29.5% and 66.7% (\*) of the Group's total revenues and operating losses, respectively.

During the quarter, MTR-1 was idle but has been awarded a barge accommodation contract in Saudi Arabia. MTR-1 is scheduled to mobilise to Saudi Arabia on 11 August 2010, and we expect it to be on location by 10 September 2010 after docking for client supplies in Sharjah, UAE.

MTR-2 is under contract with Chevron (Indonesia) and working in Indonesia. As MTR-2 achieved 100% utilisation during the quarter, average utilisation of MTR-1 and MTR-2 for the quarter was 50.0%.

**Subsea Engineering:** The assets in our subsea engineering segment had a 56.6% utilisation rate during the quarter and generated 64.0% and 10.7% (\*) of the Group's total revenues and operating losses, respectively. Average day rates fell by 22.8% compared to the same quarter last year. Given the Deepwater Horizon incident, a number of contracts have been delayed, resulting in lower than expected utilisation.

(\*) Operating profits and losses calculations include foreign exchange gains and losses.

The utilisation rate is calculated by adding the number of days that our vessels worked including any pre-mobilisation time, divided by the number of available days, which is total calendar days minus planned maintenance.

### Consolidated Balance Sheets

Current assets increased by Baht 2,790 million, or 90.8%, from Baht 3,073 million in the last financial year ("FY09") to Baht 5,863 million in the third quarter of FY2010 ("3QFY10") due mainly to an increase in other receivables of Baht 1,836 million which resulted from the disposal of investments in subsidiaries during the third quarter of the 2010 financial year, and a reclassification of investments in associates of Baht 408 million from non-current assets due to a disposal in the fourth quarter of 2010 financial year.

Non-current assets increased by Baht 1,254 million, or 10.9%, from Baht 11,482 million in FY09 to Baht 12,736 million in 3QFY10 due mainly to newbuild vessels instalments and acquisitions totalling Baht 5,710 million, which were partially offset by depreciation of Baht 488 million, disposal of a vessel of Baht 76 million, and disposal of investments in subsidiaries of Baht 3,423 million.

Current liabilities decreased by Baht 292 million, or 16.3%, from Baht 1,788 million in FY09 to Baht 1,496 million in 3QFY10 due mainly to net payments of other accounts payable for rig and vessels milestone payments of Baht 658 million, which were partially offset with an increase in current portion of long-term loans of Baht 352 million.





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Non-current liabilities increased by Baht 1,793 million, or 84.9%, from Baht 2,111 million in FY09 to Baht 3,904 million in 3QFY10 due mainly to loan draw downs offset with loan repayments and a decrease in loans from disposal of investments in subsidiaries.

Shareholders' funds increased by Baht 2,542 million, or 23.9%, from Baht 10,657 million in FY09 to Baht 13,199 million in 3QFY10 due mainly to an increase in share capital from the rights issue of Baht 3,593 million, offset with a decrease in minority interests of Baht 567 million, which resulted from the disposal of investments in subsidiaries.

### **Working Capital**

The Group's working capital increased by Baht 3,082 million, or 239.8%, from Baht 1,285 million in FY09 to Baht 4,367 million in 3QFY10. This was due mainly to an increase in current assets by Baht 2,790 million and a decrease in current liabilities by Baht 292 million as described above.

### **Consolidated Cash Flow Statements for nine-month period that ended on 30 June 2010**

The Group had net cash provided by operating activities of Baht 174 million. This was due mainly to cash generated from operations before changes in working capital of Baht 447 million and cash outflows from working capital changes of Baht 7 million, offset with cash outflows for finance costs of Baht 58 million, income taxes paid of Baht 98 million, and employee benefits paid of Baht 110 million.

The Group had net cash used in investing activities of Baht 6,288 million. This was due mainly to payments for long-term assets of Baht 5,575 million, payments for short-term investments of Baht 624 million, and payments for additional investments in subsidiaries, Nemo Subsea, of Baht 365 million, and Subtech of Baht 127 million, offset with proceeds from disposal of property and equipment of Baht 80 million and proceeds from disposals of investments in subsidiaries of Baht 323 million.

The Group had net cash provided by financing activities of Baht 6,138 million. This was due mainly to proceeds from the rights issue of Baht 3,593 million in relation to the rights issue and proceeds from long-term loans from financial institutions of Baht 2,906 million, offset by payments on long-term loans from financial institutions of Baht 358 million and finance lease liabilities of Baht 3 million.

Funds from the rights issue of USD 51 million have been temporarily used to fully finance certain investments, such as the acquisition of Endurer. This approach optimises our financial position, as interest expenses on borrowing are higher than interest income on deposits. As we commit to additional investments, the invested funds will be recovered when we draw down bank loans against these investments.





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### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable

### **10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

#### **Drilling:**

We presently operate two tender drilling rigs: 'MTR-1' and 'MTR-2'. As prevailing market conditions reduced the opportunity for the 'MTR-1' to secure drilling contracts, we expanded our scope of services for the 'MTR-1' to include accommodation barge services, and expanded our marketing efforts for both drilling and/or accommodation barge opportunities beyond South East Asia. As a result of such efforts, we have secured a contract for the 'MTR-1' to provide accommodation barge services in the Middle East. Mobilisation is scheduled to commence on 11 August 2010, and the contract is for a period of approximately 160 days ending early FQ2/2011. Although the 'MTR-1' will begin to contribute revenue upon mobilisation to Saudi Arabia, it is not expected that such earnings from this contract for the remaining fiscal year 2010 will be sufficient to recover its cumulative losses over the past months. Based on potential client enquiries, we believe that there is additional accommodation barge work available in the Middle East for the 'MTR-1' beyond this initial contract, which can potentially lead to continuing work. Although it remains challenging due to prevailing market conditions for the 'MTR-1' to secure drilling contracts, we nevertheless continue to search for potential drilling contracts if and when they become available that is suitable for the 'MTR-1'.

The 'MTR-2' continues to operate for Chevron Indonesia under a new drilling contract awarded in FQ3/2010 at higher day rates compared with its immediate previous contract for the same client. This new contract is for a period of nine months ending late FQ2/2011. As with its previous contract, utilisation of this rig continues to remain at near full levels. Although the age of the 'MTR-2' is around the same as 'MTR-1', the 'MTR-2' had undergone refurbishment and upgrades in 2006-2007 thus allowing it to remain competitive and continue to be contracted during this time.

Due to construction issues and delivery delays surrounding the construction of the newbuild tender rig 'KM-1', we decided to divest our interests in this project to our Malaysian co-shareholders. The sales proceeds and inter-company loan repayments have been received in full and are now available to fund future investment opportunities within our drilling business.

For tender rigs currently under contract, a reasonable utilisation rate is still observed to be experienced across the global tender rig fleet. As oil prices continue to stabilise and the



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global economic recovery continues, we expect to see additional requirements for tender rigs as well as other types of drilling rigs. We also believe that day rates have stabilised.

Given the general anticipation of an improvement in demand and supply conditions in the medium to long term, we consider that any new investment made during this period will cost less than what it will cost if such projects were entered into in the future. We are therefore continuing to review various opportunities, both in the second-hand market and newbuild market, for future acquisition of drilling assets or businesses that will utilise funds from our recent rights issue and sales proceeds. However, we continue to observe customers showing a preference for newer equipment and see shipyard availability give rise to potential opportunities in the construction of new build rigs provided that client contracts can be secured in advance against such newbuilds.

There has been recent news highlighting the risk of offshore oil and gas drilling, particularly in the Gulf of Mexico. On this point, health, safety and environmental (HSE) issues remain a key focus in our operations. In this regard, the 'MTR-2' had recently achieved one year period of no loss time accident, having previously maintained a record seven year period of no loss time accident, and our HSE standards and performance continue to be in line with global industry best practice.

### **Subsea Engineering:**

We continue to observe and answer enquiries from a broad range of potential clients, particularly in relation to our DP2 dive support vessels (DSVs). We presently have a reasonable volume of tenders outstanding across several geographical areas such as North Sea, Middle East, Thailand, Indonesia, Vietnam, China, and India. In some cases, we have made progress to the final round. However, we continue to observe slow results across the board with respect to contract awards as many of these submitted tenders remain outstanding or have long validity periods.

Temporary downward pressure on day rates due to vessel availability continue to be observed as contractors compete for the same limited but immediately available contracts. However, for vessels with consistent utilisation, day rates now appear to be strengthening in some regions. We anticipate that as more contracts begin to be awarded thus reducing vessel availability, day rates should generally normalise again.

In FQ3/2010, we experienced overall utilisation to be lower than that experienced in FQ3/2009. Our average utilisation levels for our specialised DP2 DSVs were also lower in FQ3/2010 compared to FQ3/2009. During this time, we have also observed our peers to be encountering similar predicaments, both in the areas of slower than expected contract awards, lower vessel utilisation, temporary pressure on day rates and hence lower bottom line results. To the extent that prevailing market conditions continue to exist, the Company expects that it will be challenging to secure a profitable level of utilisation for our subsea fleet in the next few months.



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Although actual recovery remains to be seen in the short term, as oil prices continue to stabilise and the global economic recovery continues, the indicators continue to support an eventual resumption in normalised activity in the medium to long term.

In FQ3/2010, we also took delivery of the DP2 DSV 'Mermaid Endurer' thus completing our new build delivery program for subsea. We presently operate a fleet size eight sub-sea vessels, half of which are now DP2 DSVs. As results of outstanding tenders continue to fruition, we expect to further secure work for our fleet including potentially some long-term charters ranging from two to five years. Due to our fleet's inclusion of several newbuild vessels, new enquiries have also been received.

During this period, we divested our investment interest in Allied Marine & Equipment Sdn. Bhd. (AME) in Malaysia for a profit through an exit opportunity offered by our co-shareholders in Malaysia, with the sales proceeds expected to be received by this FQ4/2010 which can subsequently be deployed for other business opportunities within the Group.

Throughout this time, our operational performance and safety standards continue to remain high and in line with global best industry practice. For example, we were a recipient of the 2009 Chevron Thailand Award for Outstanding Contractor and Outstanding Crew. This included an 'A' performance rating for health, safety and environment (HSE) standards.

### **11. If a decision regarding dividend has been made:-**

*(a) Whether an interim (final) ordinary dividend has been declared (recommended); and*

No dividend has been declared.

*(b) (i) Amount per share.....cents*

Not applicable

*(b) (ii) Previous corresponding period.....cents*

Not applicable

*(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).*

Not applicable

*(d) The date the dividend is payable.*

Not applicable



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*(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.*

Not applicable

**12. If no dividend has been declared (recommended), a statement to that effect.**

Not applicable

**13. A reconciliation of difference between Thai GAAP to IFRS.**

Currently, the Company has applied IAS 12: Income Taxes, IAS 16: Property, Plant, and Equipment, IAS 18: Revenues (in relation to revenues recognition of mobilisation fee), and IAS 19: Employee Benefits in its Thai GAAP financial statements. The Company received a waiver from Singapore Exchange Limited and has not applied IAS 21: The Effects of Changes in Foreign Exchange Rates. Therefore, the significant difference between Thai GAAP and IFRS financial statements is clarified below.

### The Effects of Changes in Foreign Exchange Rates

#### Thai GAAP

Thai GAAP does not require a determination of the functional currency (the currency of the primary economic environment in which the entity operates). The measurement currency as presented in the Thai GAAP financial statements is the local currency of Thai Baht for companies registered in Thailand.

#### IFRS

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

#### Impact

Because the functional currency of Mermaid Offshore Services Ltd., MTR-1 Ltd., MTR-2 Ltd., and Mermaid Drilling (Malaysia) Sdn. Bhd., as considered material to the consolidated level, is in US Dollars, accounting records need to be measured in the functional currency. This would affect all balance sheet and income statements line items.

The net effects on the consolidated income statements for the nine-month period that ended on 30 June 2010 and 2009 and balance sheets as at 30 June 2010 and 30 September 2009 can be summarised as follows:



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|                                 | Net effects on Consolidated Income Statement for<br>the nine-month period that ended on<br>30 June 2010 |              |              |
|---------------------------------|---|--------------|--------------|
|                                 | Thai GAAP   | IFRS         | Changes      |
|                                 | Million Baht  | Million Baht | Million Baht |
| Total service income            | 2,676.98  | 2,676.98     | -            |
| Total cost of services          | 2,355.85  | 2,355.85     | -            |
| Administrative expenses         | 409.68  | 409.69       | 0.01         |
| Operating profits (losses)      | (213.01)  | (259.13)     | (46.12)      |
| Net profits (losses) for period | (340.67)  | (386.79)     | (46.12)      |

|                                 | Net effects on Consolidated Income Statement for<br>the nine-month period that ended on<br>30 June 2009 |              |              |
|---------------------------------|---|--------------|--------------|
|                                 | Thai GAAP   | IFRS         | Changes      |
|                                 | Million Baht  | Million Baht | Million Baht |
| Total service income            | 3,993.36  | 3,993.36     | -            |
| Total cost of services          | 2,880.11  | 2,880.11     | -            |
| Administrative expenses         | 350.36  | 350.33       | (0.03)       |
| Operating profits (losses)      | 800.56  | 785.98       | (14.58)      |
| Net profits (losses) for period | 588.24  | 573.66       | (14.58)      |

|                               | Net effects on Consolidated Balance Sheet<br>as at 30 June 2010 |              |              |
|-------------------------------|---|--------------|--------------|
|                               | Thai GAAP   | IFRS         | Changes      |
|                               | Million Baht  | Million Baht | Million Baht |
| Total current assets          | 5,863.17  | 5,898.21     | 35.04        |
| Total non-current assets      | 12,736.32   | 12,778.00    | 41.68        |
| Total current liabilities     | 1,496.43  | 1,523.67     | 27.24        |
| Total non-current liabilities | 3,903.89  | 3,923.16     | 19.27        |

|                               | Net effects on Consolidated Balance Sheet<br>as at 30 September 2009 |              |              |
|-------------------------------|--|--------------|--------------|
|                               | Thai GAAP  | IFRS         | Changes      |
|                               | Million Baht   | Million Baht | Million Baht |
| Total current assets          | 3,073.45   | 3,069.20     | (4.25)       |
| Total non-current assets      | 11,482.06  | 11,520.71    | 38.65        |
| Total current liabilities     | 1,788.08   | 1,873.04     | 84.96        |
| Total non-current liabilities | 2,110.77   | 2,081.61     | (29.16)      |



**MERMAID MARITIME PUBLIC COMPANY LIMITED**

(Registered in the Kingdom of Thailand)

(Company Registration No. 0107550000017)

**14. Negative assurance on audited financial statements**

To the best knowledge of the Board of Directors, nothing has come to the attention of the Board of Directors of the Company that may render the unaudited financial results for the third quarter that ended on 30 June 2010 of the Group and the Company to be false or misleading.

**BY ORDER OF THE BOARD**

M.L. Chandchutha Chandratat

Executive Chairman

10 August 2010