

**Mermaid Maritime Public Company Limited
and its Subsidiaries**

Interim financial statements
for the three-month and
six-month periods that ended on
31 March 2013

and

Independent Auditor's report on review of
interim financial information



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Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Mermaid Maritime Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Mermaid Maritime Public Company Limited and its subsidiaries, and of Mermaid Maritime Public Company Limited, respectively, as at 31 March 2013; the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 31 March 2013; the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 31 March 2013; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".



Other Matter

The consolidated and separate statements of financial position of Mermaid Maritime Public Company Limited and its subsidiaries, and of Mermaid Maritime Public Company Limited, respectively, as at 30 September 2012, which are included as comparative information, were audited by another auditor who expressed an unqualified opinion thereon in his report dated 26 November 2012. The comparative consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 31 March 2012; and the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 31 March 2012 of Mermaid Maritime Public Company Limited and its subsidiaries, and of Mermaid Maritime Public Company Limited, respectively, which are included as comparative information, were reviewed by another auditor who expressed an unmodified conclusion thereon in his report dated 14 May 2012.

A handwritten signature in blue ink, appearing to read 'C. Phosamritlert'.

(Charoen Phosamritlert)
Certified Public Accountant
Registration No. 4068

KPMG Phoomchai Audit Ltd.
Bangkok
14 May 2013

Mermaid Maritime Public Company Limited and its Subsidiaries
Statement of financial position

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | | 31 March 2013 (Unaudited) | 30 September 2012 | 31 March 2013 (Unaudited) | 30 September 2012 |
| <i>(in thousand Baht)</i> | | | | | |
| Assets | | | | | |
| <i>Current assets</i> | | | | | |
| Cash and cash equivalents | | 1,655,541 | 1,916,973 | 851,586 | 619,922 |
| Trade accounts receivable | 3, 4 | 1,613,764 | 1,521,248 | - | - |
| Other accounts receivable | | 306,765 | 262,512 | 5,396 | 3,316 |
| Receivables from related parties | 3 | - | - | 573,081 | 514,200 |
| Short-term loans to related parties | 3 | - | - | 4,118,057 | 4,621,503 |
| Deferred contract costs | 5 | 299,675 | 277,459 | - | - |
| Supplies and spare parts | | 153,693 | 166,157 | - | - |
| Other current assets | | 97,835 | 51,874 | 1,161 | 804 |
| Total current assets | | 4,127,273 | 4,196,223 | 5,549,281 | 5,759,745 |
| <i>Non-current assets</i> | | | | | |
| Restricted deposits at financial institutions | | 116,695 | 122,777 | - | - |
| Investments in subsidiaries | 6 | - | - | 4,970,999 | 4,970,999 |
| Investments in associates | 7 | 2,815,080 | 1,852,378 | 2,899,381 | 1,903,814 |
| Investment in jointly-controlled operations | 8 | 1,595 | - | 6,611 | - |
| Property, plant and equipment | 9 | 10,794,989 | 10,718,929 | 151,076 | 156,088 |
| Goodwill | | 332,279 | 332,279 | - | - |
| Intangible assets | | 8,998 | 13,031 | 904 | 1,247 |
| Deferred tax assets | | 76,423 | 85,694 | - | - |
| Other non-current assets | | 4,172 | 6,800 | 569 | 569 |
| Total non-current assets | | 14,150,231 | 13,131,888 | 8,029,540 | 7,032,717 |
| Total assets | | 18,277,504 | 17,328,111 | 13,578,821 | 12,792,462 |

The accompanying notes are an integral part of these interim financial statements.

Mermaid Maritime Public Company Limited and its Subsidiaries
Statement of financial position

| | | Consolidated financial statements | | Separate financial statements | |
|---|-------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | | 31 March 2013 (Unaudited) | 30 September 2012 | 31 March 2013 (Unaudited) | 30 September 2012 |
| Liabilities and equity | <i>Note</i> | | | | |
| | | <i>(in thousand Baht)</i> | | | |
| Current liabilities | | | | | |
| Short-term borrowings from financial institution | 10 | 1,028,239 | - | 1,028,239 | - |
| Trade accounts payable | 3 | 369,172 | 327,302 | - | - |
| Other accounts payable | | 37,150 | 14,077 | 3,432 | 3,501 |
| Payables to related parties | 3 | 19,900 | 24,892 | 1,092,615 | 1,154,480 |
| Current portion of long-term borrowings from financial institutions | 11 | 413,470 | 205,852 | - | - |
| Current portion of finance lease liabilities | | 1,095 | 1,501 | 780 | 1,170 |
| Current portion of share subscription payables to subsidiaries | | 32,278 | 33,823 | - | - |
| Income taxes payable | | 39,878 | 35,484 | - | - |
| Accrued expenses | | 440,240 | 354,984 | 14,159 | 10,296 |
| Other current liabilities | | 36,773 | 44,711 | 8,876 | 8,489 |
| Total current liabilities | | 2,418,195 | 1,042,626 | 2,148,101 | 1,177,936 |
| Non-current liabilities | | | | | |
| Long-term borrowings from financial institutions | 11 | 3,635,059 | 3,840,478 | - | - |
| Finance lease liabilities | | 2,052 | 1,089 | - | 196 |
| Long-term portion of share subscription payables to subsidiaries | | 40,137 | 42,207 | - | - |
| Employee benefit obligations | | 42,009 | 30,669 | 4,885 | 4,249 |
| Total non-current liabilities | | 3,719,257 | 3,914,443 | 4,885 | 4,445 |
| Total liabilities | | 6,137,452 | 4,957,069 | 2,152,986 | 1,182,381 |

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Mermaid Maritime Public Company Limited and its Subsidiaries
Statement of financial position

| | Consolidated financial statements | | Separate financial statements | |
|---|--|-------------------|--------------------------------------|-------------------|
| | 31 March 2013 (Unaudited) | 30 September 2012 | 31 March 2013 (Unaudited) | 30 September 2012 |
| Liabilities and equity | | | | |
| <i>Equity</i> | | | | |
| Share capital | | | | |
| Authorised share capital | 791,214 | 791,214 | 791,214 | 791,214 |
| Issued and paid-up share capital | 784,748 | 784,748 | 784,748 | 784,748 |
| Premium on share capital | 9,818,420 | 9,818,420 | 9,818,420 | 9,818,420 |
| Retained earnings | | | | |
| Appropriated | 78,475 | 78,475 | 78,475 | 78,475 |
| Unappropriated | 1,805,053 | 1,930,146 | 743,826 | 928,072 |
| Other components of equity | (407,808) | (308,081) | 366 | 366 |
| Equity attributable to owners of the Company | 12,078,888 | 12,303,708 | 11,425,835 | 11,610,081 |
| Non-controlling interests | 61,164 | 67,334 | - | - |
| Total equity | 12,140,052 | 12,371,042 | 11,425,835 | 11,610,081 |
| Total liabilities and equity | 18,277,504 | 17,328,111 | 13,578,821 | 12,792,462 |

The accompanying notes are an integral part of these interim financial statements.

Mermaid Maritime Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|---|------------------|---|-----------------|
| | | Three-month period that ended on 31 March | | Three-month period that ended on 31 March | |
| | | 2013 | 2012 | 2013 | 2012 |
| | | <i>(in thousand Baht)</i> | | | |
| Service income | 3 | 1,394,236 | 995,554 | - | - |
| Cost of services | 3 | (1,420,639) | (900,539) | - | - |
| Gross profits (losses) | | (26,403) | 95,015 | - | - |
| Management fee income | 3 | - | - | 11,505 | 22,695 |
| Interest income | 3 | - | 1,714 | 31,795 | 32,515 |
| Other income | 3 | 4,506 | 7,910 | 3,293 | 2,930 |
| Administrative expenses | 3 | (185,963) | (180,803) | (41,912) | (45,563) |
| Gains (losses) on exchange rates | | 127,665 | 28,883 | (156,438) | (100,559) |
| Net gains (losses) on disposals and write-offs of property, plant and equipment | | 1,506 | (839) | 70 | - |
| Operating losses | | (78,689) | (48,120) | (151,687) | (87,982) |
| Share of losses of investments in associates | 7 | (21,445) | (2,440) | - | - |
| Share of losses of investment in jointly-controlled operations | 8 | (5,016) | - | - | - |
| Losses before finance costs and income tax benefits (expenses) | | (105,150) | (50,560) | (151,687) | (87,982) |
| Finance costs | | (30,583) | (47,444) | (2,860) | - |
| Losses before income tax benefits (expenses) | | (135,733) | (98,004) | (154,547) | (87,982) |
| Income tax benefits (expenses) | | 5,889 | (18,929) | (273) | - |
| Losses for the period | | (129,844) | (116,933) | (154,820) | (87,982) |
| Other comprehensive expenses: | | | | | |
| Exchange differences on translating financial statements | | (70,305) | (24,248) | - | - |
| Total comprehensive expenses for the period | | (200,149) | (141,181) | (154,820) | (87,982) |
| Profits (losses) attributable to: | | | | | |
| Owners of the Company | | (124,249) | (117,301) | (154,820) | (87,982) |
| Non-controlling interests | | (5,595) | 368 | - | - |
| | | (129,844) | (116,933) | (154,820) | (87,982) |

The accompanying notes are an integral part of these interim financial statements.

Mermaid Maritime Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

| | Consolidated financial statements | | Separate financial statements | |
|--|--|------------------|--|-----------------|
| | Three-month period that ended on 31 March | | Three-month period that ended on 31 March | |
| <i>Note</i> | 2013 | 2012 | 2013 | 2012 |
| | <i>(in thousand Baht)</i> | | | |
| Total comprehensive expenses attributable to: | | | | |
| Owners of the Company | (194,070) | (139,375) | (154,820) | (87,982) |
| Non-controlling interests | (6,079) | (1,806) | - | - |
| | <u>(200,149)</u> | <u>(141,181)</u> | <u>(154,820)</u> | <u>(87,982)</u> |
| Losses per share | | | | |
| Basic and diluted losses per share <i>(in Baht)</i> | <i>13</i> | <u>(0.16)</u> | <u>(0.15)</u> | <u>(0.20)</u> |
| | | <u>(0.11)</u> | | |

The accompanying notes are an integral part of these interim financial statements.

Mermaid Maritime Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|---|------------------|---|----------------|
| | | Six-month period that ended on 31 March | | Six-month period that ended on 31 March | |
| | | 2013 | 2012 | 2013 | 2012 |
| | | <i>(in thousand Baht)</i> | | | |
| Service income | 3 | 3,012,557 | 2,146,965 | - | - |
| Cost of services | 3 | (2,789,024) | (1,925,087) | - | - |
| Gross profits | | 223,533 | 221,878 | - | - |
| Management fee income | 3 | - | - | 29,100 | 45,390 |
| Interest income | 3 | 2,857 | 4,268 | 68,608 | 67,440 |
| Other income | 3 | 6,024 | 9,065 | 6,362 | 5,704 |
| Administrative expenses | 3 | (361,079) | (364,119) | (81,857) | (89,382) |
| Gains (losses) on exchange rates | | 155,608 | 65,289 | (181,442) | (39,100) |
| Net gains (losses) on disposals and write-offs of property, plant and equipment | | (12,438) | 257 | 70 | - |
| Operating profits (losses) | | 14,505 | (63,362) | (159,159) | (9,948) |
| Share of losses of investments in associates | 7 | (32,865) | (4,887) | - | - |
| Share of losses of investment in jointly-controlled operations | 8 | (5,016) | - | - | - |
| Losses before finance costs and income tax expenses | | (23,376) | (68,249) | (159,159) | (9,948) |
| Finance costs | | (61,434) | (92,615) | (2,860) | - |
| Losses before income tax expenses | | (84,810) | (160,864) | (162,019) | (9,948) |
| Income tax expenses | | (24,404) | (34,655) | (725) | - |
| Losses for the period | | (109,214) | (195,519) | (162,744) | (9,948) |
| Other comprehensive expenses: | | | | | |
| Exchange differences on translating financial statements | | (100,274) | (39,856) | - | - |
| Total comprehensive expenses for the period | | (209,488) | (235,375) | (162,744) | (9,948) |
| Profits (losses) attributable to: | | | | | |
| Owners of the Company | | (103,591) | (202,709) | (162,744) | (9,948) |
| Non-controlling interests | | (5,623) | 7,190 | - | - |
| | | (109,214) | (195,519) | (162,744) | (9,948) |

The accompanying notes are an integral part of these interim financial statements.

Mermaid Maritime Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

| | Consolidated financial statements | | Separate financial statements | |
|--|--|------------------|--|----------------|
| | Six-month period that ended on 31 March | | Six-month period that ended on 31 March | |
| <i>Note</i> | 2013 | 2012 | 2013 | 2012 |
| | <i>(in thousand Baht)</i> | | | |
| Total comprehensive income (expenses) | | | | |
| attributable to: | | | | |
| Owners of the Company | (203,318) | (241,007) | (162,744) | (9,948) |
| Non-controlling interests | (6,170) | 5,632 | - | - |
| | <u>(209,488)</u> | <u>(235,375)</u> | <u>(162,744)</u> | <u>(9,948)</u> |
| Losses per share | | | | |
| Basic and diluted losses per share <i>(in Baht)</i> | <i>13</i> | <u>(0.13)</u> | <u>(0.26)</u> | <u>(0.21)</u> |
| | | <u>(0.01)</u> | | |

The accompanying notes are an integral part of these interim financial statements.

Mermaid Maritime Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

| | Consolidated financial statements | | | | | | | | | | |
|--|-----------------------------------|--------------------------|---------------|------------------|----------------------------------|----------------------------|--|----------------------------------|--|---------------------------|-------------------|
| | Retained earnings | | | | | Other components of equity | | | | | |
| | Issued and paid-up share capital | Premium on share capital | Appropriated | Unappropriated | Currency translation differences | Share-based payment | Changes in ownership interests without a change in control | Total other components of equity | Equity attributable to owners of the Company | Non-controlling interests | Total equity |
| <i>(in thousand Baht)</i> | | | | | | | | | | | |
| Six-month period that ended on 31 March 2012 | | | | | | | | | | | |
| Balance at 1 October 2011 | 784,748 | 9,818,420 | 78,475 | 1,858,659 | (197,695) | - | - | (197,695) | 12,342,607 | 99,008 | 12,441,615 |
| Profits (losses) for the period | - | - | - | (202,709) | - | - | - | - | (202,709) | 7,190 | (195,519) |
| Exchange differences on translating financial statements | - | - | - | - | (38,298) | - | - | (38,298) | (38,298) | (1,558) | (39,856) |
| Balance at 31 March 2012 | 784,748 | 9,818,420 | 78,475 | 1,655,950 | (235,993) | - | - | (235,993) | 12,101,600 | 104,640 | 12,206,240 |
| Six-month period that ended on 31 March 2013 | | | | | | | | | | | |
| Balance at 1 October 2012 | 784,748 | 9,818,420 | 78,475 | 1,930,146 | (219,165) | 366 | (89,282) | (308,081) | 12,303,708 | 67,334 | 12,371,042 |
| Losses for the period | - | - | - | (103,591) | - | - | - | - | (103,591) | (5,623) | (109,214) |
| Dividends paid | - | - | - | (21,502) | - | - | - | - | (21,502) | - | (21,502) |
| Exchange differences on translating financial statements | - | - | - | - | (99,727) | - | - | (99,727) | (99,727) | (547) | (100,274) |
| Balance at 31 March 2013 | 784,748 | 9,818,420 | 78,475 | 1,805,053 | (318,892) | 366 | (89,282) | (407,808) | 12,078,888 | 61,164 | 12,140,052 |

The accompanying notes are an integral part of these interim financial statements.

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

| | Separate financial statements | | | | | | | Total equity |
|---|----------------------------------|--------------------------|-------------------|----------------|---------------------------|----------------------------|----------|-------------------|
| | Issued and paid-up share capital | Premium on share capital | Retained earnings | | | Other components of equity | | |
| | | | Appropriated | Unappropriated | Share-based payment | | | |
| | <i>Note</i> | | | | <i>(in thousand Baht)</i> | | | |
| Six-month period that ended on 31 March 2012 | | | | | | | | |
| Balance at 1 October 2011 | | 784,748 | 9,818,420 | 78,475 | 931,307 | - | - | 11,612,950 |
| Losses for the period | | - | - | - | (9,948) | - | - | (9,948) |
| Balance at 31 March 2012 | | <u>784,748</u> | <u>9,818,420</u> | <u>78,475</u> | <u>921,359</u> | <u>-</u> | <u>-</u> | <u>11,603,002</u> |
| Six-month period that ended on 31 March 2013 | | | | | | | | |
| Balance at 1 October 2012 | | 784,748 | 9,818,420 | 78,475 | 928,072 | 366 | - | 11,610,081 |
| Losses for the period | | - | - | - | (162,744) | - | - | (162,744) |
| Dividends paid | 14 | - | - | - | (21,502) | - | - | (21,502) |
| Balance at 31 March 2013 | | <u>784,748</u> | <u>9,818,420</u> | <u>78,475</u> | <u>743,826</u> | <u>366</u> | <u>-</u> | <u>11,425,835</u> |

The accompanying notes are an integral part of these interim financial statements.

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

| | Consolidated financial statements | | Separate financial statements | |
|---|--|----------------|---|-----------------|
| | Six-month period that ended on 31 March | | Six-month period that ended on 31 March | |
| | 2013 | 2012 | 2013 | 2012 |
| | <i>(in thousand Baht)</i> | | | |
| Cash flows from operating activities | | | | |
| Losses for the period | (109,214) | (195,519) | (162,744) | (9,948) |
| <i>Adjustments for:</i> | | | | |
| Depreciation | 436,194 | 436,019 | 8,518 | 8,258 |
| Amortisation | 28,695 | 4,217 | 342 | 278 |
| Finance costs | 61,434 | 92,615 | 2,860 | - |
| Net (gains) losses on disposals and write-offs of property, plant and equipment | 12,438 | (257) | (70) | - |
| Realised (gains) losses on exchange rates | (13,334) | (39,018) | 7,458 | 4,130 |
| Unrealised (gains) losses on exchange rates | (142,274) | (26,271) | 173,984 | 34,970 |
| Employee benefit obligations | 12,920 | 15,522 | 637 | 752 |
| Share of losses of investments in associates | 32,865 | 4,887 | - | - |
| Share of losses of investment in jointly-controlled operations | 5,016 | - | - | - |
| Losses from write-off of withholding taxes | - | 10,449 | - | 9,401 |
| Exchange rate gains from translation of overseas subsidiaries | (80,143) | (51,894) | - | - |
| Income tax expenses | 24,404 | 34,655 | 725 | - |
| Cash flows from operations before changes in operating assets and liabilities | 269,001 | 285,405 | 31,710 | 47,841 |
| <i>Changes in operating assets and liabilities</i> | | | | |
| Restricted deposits at financial institutions | (6) | 12,942 | - | - |
| Trade accounts receivable | (108,556) | 930,161 | - | - |
| Receivables from related parties | - | 33 | (71,718) | (68,869) |
| Other accounts receivable | (47,099) | (58,636) | (2,080) | (3,170) |
| Deferred contract costs | (58,967) | - | - | - |
| Supplies and spare parts | 12,464 | 527 | - | - |
| Other current assets | (33,012) | (18,077) | (357) | 695 |
| Other non-current assets | 2,628 | 13,396 | - | 174 |
| Trade accounts payable | 65,753 | (40,681) | - | - |
| Other accounts payable | (13,920) | (13,696) | (697) | (2,207) |
| Payables to related parties | (4,991) | 9,578 | (8,470) | 11,780 |
| Accrued expenses | 86,321 | (82,586) | 2,353 | (3,033) |
| Other current liabilities | (3,966) | (10,079) | 387 | (1,214) |
| | (103,351) | 742,882 | (80,582) | (65,844) |
| Cash generated from operating activities | 165,650 | 1,028,287 | (48,872) | (18,003) |
| Finance costs paid | (56,851) | (90,842) | - | - |
| Income taxes paid | (25,646) | (28,396) | (725) | (1,378) |
| Employee benefits paid | - | (56,464) | - | - |
| Net cash from (used in) operating activities | 83,153 | 852,585 | (49,597) | (19,381) |

The accompanying notes are an integral part of these interim financial statements.

Mermaid Maritime Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

| | Consolidated financial statements | | Separate financial statements | |
|--|--|------------------|---|----------------|
| | Six-month period that ended on 31 March | | Six-month period that ended on 31 March | |
| | 2013 | 2012 | 2013 | 2012 |
| | <i>(in thousand Baht)</i> | | | |
| Cash flows from investing activities | | | | |
| Short-term loans received from related parties | - | - | 536,016 | 324,334 |
| Short-term loans provided to related parties | - | - | (221,420) | - |
| Payment for investment in associates | (995,567) | - | (995,567) | - |
| Payment for investment in jointly-controlled operations | (6,611) | - | (6,611) | - |
| Proceeds from disposals of property, plant and equipment and intangible assets | 153,041 | 1,996 | 70 | - |
| Payment for purchases of property, plant and equipment | (647,693) | (147,113) | (2,898) | (723) |
| Payment for purchases of intangible assets | (1,017) | (4,571) | - | (23) |
| Net cash from (used in) investing activities | (1,497,847) | (149,688) | (690,410) | 323,588 |
| Cash flows from financing activities | | | | |
| Proceeds from short-term borrowings from financial institution | 1,037,896 | - | 1,037,896 | - |
| Proceeds from short-term borrowings from related parties | - | - | 283,621 | - |
| Repayments of short-term borrowings from related parties | - | - | (279,519) | - |
| Repayment of finance lease liabilities | (953) | (1,234) | (586) | (585) |
| Proceeds from long-term borrowings from financial institutions | 289,345 | 1,405,751 | - | - |
| Repayment of long-term borrowings from financial institutions | (87,630) | (1,157,157) | - | - |
| Dividends paid to shareholders | (21,502) | - | (21,502) | - |
| Net cash from (used in) financing activities | 1,217,156 | 247,360 | 1,019,910 | (585) |
| Net increase (decrease) in cash and cash equivalents | (197,538) | 950,257 | 279,903 | 303,622 |
| Cash and cash equivalents at the beginning of the period | 1,916,973 | 1,352,380 | 619,922 | 377,635 |
| Effects of exchange rates | (63,894) | (5,394) | (48,239) | (5,899) |
| Cash and cash equivalents at the end of the period | 1,655,541 | 2,297,243 | 851,586 | 675,358 |
| Non-cash transactions | | | | |
| Unpaid liabilities for purchases of property, plant and equipment | 43,374 | 6,851 | 607 | - |
| Unpaid liabilities for share subscription in subsidiaries | 72,415 | - | - | - |

The accompanying notes are an integral part of these interim financial statements.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods that ended on 31 March 2013 (Unaudited)

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Notes to the interim financial statements
For the three-month and six-month periods that ended on 31 March 2013 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements have been approved and authorised for issue by the Board of Directors on 14 May 2013.

1 General information

Mermaid Maritime Public Company Limited (the “Company”) is a limited public company which is incorporated in Thailand and is listed on the Singapore Exchange Securities Trading Limited. The address of its registered office is at 26/28-29 Orakarn Building, 9th floor, Soi Chidlom, Ploenchit Road, Kwaeng Lumpinee, Khet Pathumwan, Bangkok 10330, Thailand.

The Company and its subsidiaries, the “Group”, provide a wide range of services to the offshore oil & gas industries. The scope of services comprises sub-sea engineering and inspection by divers and remotely operated vehicle (“ROV”) systems and ownership and operations of a fleet of offshore service vessels and tender drilling rigs.

The Company is a subsidiary of Thoresen Thai Agencies Public Company Limited, which is incorporated in Thailand.

Details of the Company’s subsidiaries, associates, and jointly-controlled operations as at 31 March 2013 and 30 September 2012 were as follows:

| Name of the entities | Country of incorporation | Direct/indirect Holding (%) | |
|--|--------------------------|-----------------------------|-------------------|
| | | 31 March 2013 | 30 September 2012 |
| <i>Subsidiaries</i> | | | |
| Mermaid Offshore Services Ltd., which has ten subsidiaries as follows: | Thailand | 100.0 | 100.0 |
| Nemo Subsea AS* | Norway | - | 100.0 |
| Nemo Subsea IS* | Norway | - | 97.0 |
| Seascope Surveys (Thailand) Ltd. | Thailand | 100.0 | 100.0 |
| Seascope Surveys Pte. Ltd., which has one subsidiary as follows: | Singapore | 100.0 | 100.0 |
| PT Seascope Surveys Indonesia | Indonesia | 95.0 | 95.0 |
| Subtech Ltd., which has one subsidiary and one associate as follows: | Seychelles | 100.0 | 100.0 |
| Subtech Saudi Arabia Limited | Saudi Arabia | 70.0 | 70.0 |
| Subtech Qatar Diving and Marine Services LLC *** | Qatar | 49.0 | 49.0 |
| Mermaid Offshore Services Pty. Ltd. * | Australia | - | 100.0 |
| Mermaid Offshore Services Pte. Ltd. | Singapore | 100.0 | 100.0 |
| Mermaid Drilling Ltd., which has five subsidiaries as follows: | Thailand | 95.0 | 95.0 |
| MTR - 1 Ltd. | Thailand | 95.0 | 95.0 |
| MTR - 2 Ltd. | Thailand | 95.0 | 95.0 |
| Mermaid Drilling (Malaysia) Sdn. Bhd. | Malaysia | 95.0 | 95.0 |
| MTR - 1 (Singapore) Pte. Ltd. | Singapore | 95.0 | 95.0 |
| MTR - 2 (Singapore) Pte. Ltd. | Singapore | 95.0 | 95.0 |

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| Name of the entities | Country of incorporation | Direct/indirect Holding (%) | |
|---|--------------------------|-----------------------------|-------------------|
| | | 31 March 2013 | 30 September 2012 |
| Mermaid Training and Technical Services Ltd. ** | Thailand | 100.0 | 100.0 |
| Mermaid Drilling (Singapore) Pte. Ltd., which has one subsidiary as follows: MTR - 3 (Singapore) Pte. Ltd. | Singapore | 100.0 | 100.0 |
| Associates | | | |
| Asia Offshore Drilling Limited, which has three subsidiaries as follows: Asia Offshore Rig 1 Limited | Bermuda | 33.76 | 33.75 |
| Asia Offshore Rig 2 Limited | Bermuda | 33.76 | 33.75 |
| Asia Offshore Rig 3 Limited | Bermuda | 33.76 | 33.75 |
| Jointly-controlled operations | | | |
| Zamil Mermaid Offshore Services Co. (LLC) | Saudi Arabia | 40.00 | - |

* Mermaid Offshore Services Pty. Ltd. was deregistered on 31 October 2012

Nemo Subsea AS and Nemo Subsea IS were deregistered on 4 March 2013

** Mermaid Training and Technical Services Ltd. is in the process of liquidation

*** Existence of significant influence

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (“TAS”) No. 34 (revised 2009) *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions (“FAP”).

The interim financial statements are prepared to provide an update on the financial statements for the year that ended on 30 September 2012. They do not include all of the financial information required for full annual financial statements but focus on new activities, events, and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year that ended on 30 September 2012.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year that ended on 30 September 2012, except for the addition of an accounting policy for jointly-controlled operations:

Jointly-controlled operations

Jointly-controlled operations cover entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

An investment in jointly-controlled operations is accounted for in the consolidated financial statements using the equity-accounted investees and is recognised initially at cost. The cost of the investment includes transaction costs.

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The consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investees after adjustments to align the accounting policies with those of the Group from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount of that interest is reduced to zero and recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(b) Presentation currency

The interim financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

(c) Use of estimates and judgements

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year that ended on 30 September 2012.

3 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

| Name of entities | Country of incorporation/ nationality | Nature of relationship |
|---|--|--|
| Thoresen Thai Agencies Public Company Limited | Thailand | Ultimate parent company, some common directors |
| Thoresen Shipping Singapore Pte Ltd. | Singapore | 99.9% holding by ultimate parent company |
| Thoresen Services Center Ltd. | Thailand | 99.9% holding by ultimate parent company |
| Thoresen & Company (Bangkok) Limited | Thailand | 99.9% holding by a subsidiary of ultimate parent company |
| Key management personnel | Thailand | Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group |

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The pricing policies for particular types of transactions are explained further below:

| Transactions | Pricing policies |
|-------------------------------|--|
| Service income | Prices normally charged to a third party |
| Management fee income | Actual cost plus margin |
| Interest income | Market linked rate/the borrowing costs of the lender |
| Rental income | Prices normally charged to a third party |
| Cost of services | Prices normally charged to a third party |
| Other administrative expenses | Actual cost plus margin |
| Management benefit expenses | Amount approved by the directors and/or the shareholders |

Significant transactions for the three-month and six-month periods that ended on 31 March 2013 and 2012 with related parties were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------|--|--------|
| | 2013 | 2012 | 2013 | 2012 |
| <i>Three-month periods that ended on 31 March</i> | | | | |
| <i>(in thousand Baht)</i> | | | | |
| Subsidiaries | | | | |
| Management fee income | - | - | 11,505 | 22,695 |
| Interest income | - | - | 31,918 | 32,171 |
| Rental income | - | - | 1,733 | 1,739 |
| Other related parties | | | | |
| Service income | 498,538 | - | - | - |
| Cost of services | - | 3,856 | - | - |
| Other administrative expenses | 460 | 6,593 | (535) | 5,062 |
| Key management personnel compensation | | | | |
| Short-term employee benefits | 6,672 | 10,703 | 3,216 | 4,544 |
| Post-employment benefits and other long term benefits | 10 | 9 | 10 | 9 |
| | | | | |
| | Consolidated financial statements | | Separate financial statements | |
| | 2013 | 2012 | 2013 | 2012 |
| <i>Six-month periods that ended on 31 March</i> | | | | |
| <i>(in thousand Baht)</i> | | | | |
| Subsidiaries | | | | |
| Management fee income | - | - | 29,100 | 45,390 |
| Interest income | - | - | 67,540 | 66,891 |
| Rental income | - | - | 3,411 | 3,417 |

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For the three-month and six-month periods that ended on 31 March 2013 (Unaudited)

| <i>Six-month periods that ended on 31 March</i> | Consolidated financial statements | | Separate financial statements | |
|--|--|--------|--|-------|
| | 2013 | 2012 | 2013 | 2012 |
| | <i>(in thousand Baht)</i> | | | |
| Other related parties | | | | |
| Service income | 498,538 | - | - | - |
| Rental income | - | 163 | - | 163 |
| Cost of services | - | 9,195 | - | - |
| Other administrative expenses | 2,694 | 12,040 | 152 | 9,011 |
| Key management personnel compensation | | | | |
| Short-term employee benefits | 13,344 | 17,844 | 6,432 | 5,542 |
| Post-employment benefits and other long term benefits | 19 | 18 | 19 | 18 |

Balances as at 31 March 2013 and 30 September 2012 with related parties were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|--|-------------------------|--|-------------------------|
| | 31 March 2013 | 30 September 2012 | 31 March 2013 | 30 September 2012 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Trade accounts receivable from related party</i> | | | | |
| Other related party | 483,170 | - | - | - |
| Total | 483,170 | - | - | - |
| <i>Receivables from related parties</i> | | | | |
| Subsidiaries | - | - | 573,081 | 514,200 |
| Total | - | - | 573,081 | 514,200 |
| <i>Short-term loans to related parties</i> | | | | |
| Subsidiaries | - | - | 4,118,057 | 4,621,503 |
| Total | - | - | 4,118,057 | 4,621,503 |
| <i>Trade accounts payable to related parties</i> | | | | |
| Other related parties | 1,614 | 638 | - | - |
| Total | 1,614 | 638 | - | - |
| <i>Payables to related parties</i> | | | | |
| Subsidiaries | - | - | 1,072,715 | 1,129,588 |
| Other related parties | 19,900 | 24,892 | 19,900 | 24,892 |
| Total | 19,900 | 24,892 | 1,092,615 | 1,154,480 |

Mermaid Maritime Public Company Limited and its Subsidiaries

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For the three-month and six-month periods that ended on 31 March 2013 (Unaudited)

Movements of short-term loans to related parties, excluding interest receivables from related parties, during the six-month periods that ended on 31 March 2013 and 2012 were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------------|--------------------------------------|----------|----------------------------------|------------------|
| | 2013 | 2012 | 2013 | 2012 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | | | | |
| At 1 October | - | - | 4,621,503 | 4,933,109 |
| Increases | - | - | 221,420 | 1,342,580 |
| Decreases | - | - | (536,016) | (1,655,395) |
| Realised losses on exchange rates | - | - | (11,538) | (4,282) |
| Unrealised losses on exchange rates | - | - | (177,312) | (41,240) |
| At 31 March | - | - | 4,118,057 | 4,574,772 |

All short-term loans to related parties are unsecured and have repayment terms at call.

Movements of short-term borrowings from related parties, excluding interest payables from related parties, during the six-month periods that ended on 31 March 2013 and 2012 were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|----------------------------------|--------------------------------------|----------|----------------------------------|----------|
| | 2013 | 2012 | 2013 | 2012 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | | | | |
| At 1 October | - | - | - | - |
| Increases | - | - | 283,621 | - |
| Decreases | - | - | (279,519) | - |
| Realised gains on exchange rates | - | - | (4,102) | - |
| At 31 March | - | - | - | - |

4 Trade accounts receivable

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|--------------------------------------|-------------------------|----------------------------------|-------------------------|
| | 31 March 2013 | 30 September 2012 | 31 March 2013 | 30 September 2012 |
| | <i>(in thousand Baht)</i> | | | |
| Other related party | 483,170 | - | - | - |
| Other parties | 1,043,002 | 1,467,370 | - | - |
| Accrued income | 87,592 | 143,567 | - | - |
| | 1,613,764 | 1,610,937 | - | - |
| Less allowance for doubtful accounts | - | (89,689) | - | - |
| Net | 1,613,764 | 1,521,248 | - | - |

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The joint arrangement between Zamil and the Group is recognised as a jointly-controlled operations in which the participating parties recognise and account for their own assets and liabilities, costs, and revenues related to their participation in the arrangement.

6 Investments in subsidiaries

Details as at 31 March 2013 were as follows:

| | Separate financial statements <i>(in thousand Baht)</i> |
|-------------------------------|---|
| Cost | 5,237,264 |
| Less allowance for impairment | (266,265) |
| At 31 March 2013 | 4,970,999 |

There were no movements during the six-month period that ended on 31 March 2013.

7 Investments in associates

Movements during the six-month period that ended on 31 March 2013 were as follows:

| | Consolidated financial statements <i>(in thousand Baht)</i> | Separate financial statements |
|--|---|--|
| At 1 October 2012 | 1,852,378 | 1,903,814 |
| Additional investments | 995,567 | 995,567 |
| Share of losses of investments in associates | (32,865) | - |
| At 31 March 2013 | 2,815,080 | 2,899,381 |

On 12 March 2013 the Company participated in a private placement of Asia Offshore Drilling Limited (“AOD”) by subscribing for 6,756,225 new ordinary shares at USD 5.00 per share for a total investment of USD 33.8 million, or equivalent to Baht 995.6 million. After the private placement, which raised USD 100 million in proceeds for AOD, the Company’s ownership in AOD increased to 20,256,425 ordinary shares, equivalent to 33.76 percent of all outstanding ordinary shares.

8 Investment in jointly-controlled operations

Movements during the six-month period that ended on 31 March 2013 were as follows:

| | Consolidated financial statements <i>(in thousand Baht)</i> | Separate financial statements |
|--|---|--|
| At 1 October 2012 | - | - |
| Additional investment | 6,611 | 6,611 |
| Share of losses of investment in jointly-controlled operations | (5,016) | - |
| At 31 March 2013 | 1,595 | 6,611 |

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Zamil Mermaid Offshore Services Co. (LLC)

On 1 October 2012 the Company subscribed for 800 shares, equivalent to 40.0% of total shares in Zamil Mermaid Offshore Services Co. (LLC), a new jointly-controlled operations, for total consideration of Baht 6.6 million (Qatari Riyal 0.8 million). The contractual arrangements between the joint venture partners require, among other matters, consent from both partners equally for actions and decisions of the jointly-controlled operations.

9 Property, plant and equipment

9.1) Acquisitions, disposals, and transfers of property, plant and equipment during the six-month period that ended on 31 March 2013 were as follows:

| | Consolidated financial statements | Separate financial statements |
|--|--|--|
| | <i>(in thousand Baht)</i> | |
| <i>Net book value</i> | | |
| At 1 October 2012 | 10,718,929 | 156,088 |
| Additions | 686,270 | 3,506 |
| Disposals and write-offs | (162,633) | - |
| Depreciation | (436,194) | (8,518) |
| Translation differences on consolidation | (11,383) | - |
| At 31 March 2013 | 10,794,989 | 151,076 |

Consolidated financial statements

The significant additions during the six-month period that ended on 31 March 2013 were:

- a) payments for dry-docking of vessel and drilling rig totalling Baht 402.8 million;
- b) payments for vessels and rig equipment totalling Baht 56.1 million; and
- c) payments for equipment under construction and installation totalling Baht 195.3 million.

9.2) As at 31 March 2013 the Group's property, plant and equipment with a net book value of Baht 7,782.17 million (30 September 2012: Baht 6,510.91 million) were registered to secure short-term and long-term facilities with financial institutions.

10 Short-term borrowings from financial institution

As at 31 March 2013 short-term borrowings from financial institution represented a promissory note issued by the Company of USD 35.0 million due for repayment on 19 September 2013. The borrowings are secured by mortgages of support vessels as mentioned in Note 9.2) and are guaranteed by a subsidiary.

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Notes to the interim financial statements

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11 Long-term borrowings from financial institutions

| | Consolidated | | Separate | |
|-------------------|---------------------------|------------------|----------------------|-----------|
| | financial statements | | financial statements | |
| | 31 | 30 | 31 | 30 |
| | March | September | March | September |
| | 2013 | 2012 | 2013 | 2012 |
| | <i>(in thousand Baht)</i> | | | |
| Current portion | 413,470 | 205,852 | - | - |
| Long-term portion | 3,635,059 | 3,840,478 | - | - |
| Total | 4,048,529 | 4,046,330 | - | - |

Movements during the six-month period that ended on 31 March 2013 were as follows:

| | Consolidated | Separate |
|--|---------------------------|------------|
| | financial | financial |
| | statements | statements |
| | <i>(in thousand Baht)</i> | |
| At 1 October 2012 | 4,046,330 | - |
| Additions | 287,602 | - |
| Repayments | (87,630) | - |
| Amortisation on deferred issuing costs | 1,743 | - |
| Realised gains on exchange rates | (1,492) | - |
| Unrealised gains on exchange rates | (198,024) | - |
| At 31 March 2013 | 4,048,529 | - |

As at 31 March 2013 the total outstanding amounts of long-term borrowings granted by financial institutions are dominated in US Dollars and Qatari Riyal, having total outstanding balance of USD 135.2 million and QAR 11.8 million, respectively (*30 September 2012: USD 131.6 million*). Certain borrowings are secured by mortgages of the subsidiaries' assets as mentioned in Note 9.2) and are guaranteed by the Company and certain subsidiaries.

According to a condition of the borrowings agreements for all asset acquisitions, the Company and certain subsidiaries are not allowed to create any encumbrance on the assets used as collateral, except for encumbrances created with the prior consent of the financial institutions and permitted liens. The Company and certain subsidiaries must comply with other conditions and restrictions stated in the agreements.

12 Segment information

Segment information is presented in respect of the Group's business segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Business segments

The Group comprises the following main business segments:

| | |
|-----------|----------------|
| Segment 1 | MOS group |
| Segment 2 | Drilling group |
| Segment 3 | Subtech group |
| Segment 4 | Seascope group |
| Segment 5 | Holding |

Mermaid Maritime Public Company Limited and its Subsidiaries
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Revenue and results, based on business segments, in the consolidated financial statements for the three-month and six-month periods that ended on 31 March 2013 and 2012 were as follows:

| | Consolidated | | | | | | | |
|--|---|-----------------------|----------------------|-----------------------|------------------|------------------|--------------------|------------------|
| | For the three-month period that ended on 31 March 2013 | | | | | | | |
| | MOS group | Drilling group | Subtech group | Seascope group | Holding | Total | Elimination | Group |
| | <i>(in thousand Baht)</i> | | | | | | | |
| Total service income | 583,292 | 79,151 | 762,000 | 163,050 | - | 1,587,493 | (193,257) | 1,394,236 |
| Operating profits (losses) | 164,878 | (135,458) | 57,348 | (8,308) | (150,775) | (72,315) | (6,374) | (78,689) |
| Share of losses from associates | - | - | - | - | (21,445) | (21,445) | - | (21,445) |
| Share of losses from jointly-controlled operations | - | - | - | - | (5,016) | (5,016) | - | (5,016) |
| Finance costs | (52,087) | (1,748) | (14,033) | (541) | (2,860) | (71,269) | 40,686 | (30,583) |
| Income tax benefits (expenses) | 124 | 3,447 | - | 2,591 | (273) | 5,889 | - | 5,889 |
| Profits (losses) for the period | 112,915 | (133,759) | 43,315 | (6,258) | (180,369) | (164,156) | 34,312 | (129,844) |
| | | | | | | | | |
| | Consolidated | | | | | | | |
| | For the three-month period that ended on 31 March 2012 | | | | | | | |
| | MOS group | Drilling group | Subtech group | Seascope group | Holding | Total | Elimination | Group |
| | <i>(in thousand Baht)</i> | | | | | | | |
| Total service income | 559,817 | 194,492 | 254,081 | 198,853 | - | 1,207,243 | (211,689) | 995,544 |
| Operating profits (losses) | 120,766 | (27,345) | 7,779 | 4,858 | (88,229) | 17,829 | (65,949) | (48,120) |
| Share of losses from associates | - | - | - | - | (2,440) | (2,440) | - | (2,440) |
| Finance costs | (76,918) | (1,911) | - | (630) | - | (79,459) | 32,015 | (47,444) |
| Income tax expenses | (2,537) | (16,209) | (13) | (170) | - | (18,929) | - | (18,929) |
| Profits (losses) for the period | 41,311 | (45,465) | 7,766 | 4,058 | (90,669) | (82,999) | (33,934) | (116,933) |

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| | Consolidated | | | | | | | |
|--|--|------------------|---------------|---|------------------|------------------|---------------|------------------|
| | For the six-month period that ended on 31 March 2013 | | | | | | | |
| | MOS group | Drilling group | Subtech group | Seascope group <i>(in thousand Baht)</i> | Holding | Total | Elimination | Group |
| Total service income | 1,250,403 | 297,030 | 1,441,287 | 542,308 | - | 3,531,028 | (518,471) | 3,012,557 |
| Operating profits (losses) | 172,107 | (120,268) | 111,159 | 50,549 | (158,238) | 55,309 | (40,804) | 14,505 |
| Share of losses from associates | - | - | - | - | (32,865) | (32,865) | - | (32,865) |
| Share of losses from jointly-controlled operations | - | - | - | - | (5,016) | (5,016) | - | (5,016) |
| Finance costs | (109,649) | (3,097) | (26,974) | (1,110) | (2,860) | (143,690) | 82,256 | (61,434) |
| Income tax benefits (expenses) | 23 | (15,687) | - | (8,014) | (726) | (24,404) | - | (24,404) |
| Profits (losses) for the period | 62,481 | (139,052) | 84,185 | 41,425 | (199,705) | (150,666) | 41,452 | (109,214) |

| | Consolidated | | | | | | | |
|---------------------------------|--|-----------------|---------------|---|-----------------|------------------|--------------|------------------|
| | For the six-month period that ended on 31 March 2012 | | | | | | | |
| | MOS group | Drilling group | Subtech group | Seascope group <i>(in thousand Baht)</i> | Holding | Total | Elimination | Group |
| Total service income | 1,152,506 | 428,411 | 464,977 | 449,092 | - | 2,494,986 | (348,021) | 2,146,965 |
| Operating profits (losses) | (76,470) | 33,329 | 10,623 | 44,187 | (10,423) | 1,246 | (64,608) | (63,362) |
| Share of losses from associates | - | - | - | - | (4,887) | (4,887) | - | (4,887) |
| Finance costs | (156,025) | (3,842) | - | (1,363) | - | (161,230) | 68,615 | (92,615) |
| Income tax benefits (expenses) | 37,127 | (70,722) | (13) | (1,047) | - | (34,655) | - | (34,655) |
| Profits (losses) for the period | (195,368) | (41,235) | 10,610 | 41,777 | (15,310) | (199,526) | 4,007 | (195,519) |

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13 Losses per share

Basic losses per share

The calculations of basic losses per share for the three-month and six-month periods that ended on 31 March 2013 and 2012 were based on the losses for the period attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the period as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--|------------------|--|-----------------|
| | 2013 | 2012 | 2013 | 2012 |
| | <i>(in thousand Baht/thousand shares)</i> | | | |
| <i>Three-month periods that ended on 31 March</i> | | | | |
| Losses attributable to ordinary shareholders of the Company (basic) | <u>(124,249)</u> | <u>(117,301)</u> | <u>(154,820)</u> | <u>(87,982)</u> |
| Number of ordinary shares outstanding (basic) | <u>784,748</u> | <u>784,748</u> | <u>784,748</u> | <u>784,748</u> |
| Losses per share (basic) <i>(in Baht)</i> | <u>(0.16)</u> | <u>(0.15)</u> | <u>(0.20)</u> | <u>(0.11)</u> |

| | Consolidated financial statements | | Separate financial statements | |
|--|--|------------------|--|----------------|
| | 2013 | 2012 | 2013 | 2012 |
| | <i>(in thousand Baht/thousand shares)</i> | | | |
| <i>Six-month periods that ended on 31 March</i> | | | | |
| Losses attributable to ordinary shareholders of the Company (basic) | <u>(103,591)</u> | <u>(202,709)</u> | <u>(162,744)</u> | <u>(9,948)</u> |
| Number of ordinary shares outstanding (basic) | <u>784,748</u> | <u>784,748</u> | <u>784,748</u> | <u>784,748</u> |
| Losses per share (basic) <i>(in Baht)</i> | <u>(0.13)</u> | <u>(0.26)</u> | <u>(0.21)</u> | <u>(0.01)</u> |

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods that ended on 31 March 2013 (Unaudited)

Diluted losses per share

The calculations of diluted losses per share for the three-month and six-month periods that ended on 31 March 2013 and 2012 were based on the losses for the period attributable to ordinary shareholder of the Company and the weighted average number of ordinary shares outstanding during the period after adjusting for the effects of all dilutive potential ordinary shares as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|---|------------------|----------------------------------|-----------------|
| | 2013 | 2012 | 2013 | 2012 |
| <i>Three-month periods that ended on 31 March</i> | <i>(in thousand Baht/thousand shares)</i> | | | |
| Losses attributable to ordinary shareholders of the Company (basic) | (124,249) | (117,301) | (154,820) | (87,982) |
| Weighted average number of ordinary shares outstanding (basic) | 784,748 | 784,748 | 784,748 | 784,748 |
| Effect from employee share option plan | 418 | 381 | 418 | 381 |
| Weighted average number of ordinary shares outstanding (diluted) | 785,166 | 785,129 | 785,166 | 785,129 |
| Losses per share (diluted) <i>(in Baht)</i> | (0.16) | (0.15) | (0.20) | (0.11) |

| | Consolidated financial statements | | Separate financial statements | |
|--|---|------------------|----------------------------------|----------------|
| | 2013 | 2012 | 2013 | 2012 |
| <i>Six-month periods that ended on 31 March</i> | <i>(in thousand Baht/thousand shares)</i> | | | |
| Losses attributable to ordinary shareholders of the Company (basic) | (103,591) | (202,709) | (162,744) | (9,948) |
| Weighted average number of ordinary shares outstanding (basic) | 784,748 | 784,748 | 784,748 | 784,748 |
| Effect from employee share option plan | 373 | 361 | 373 | 361 |
| Weighted average number of ordinary shares outstanding (diluted) | 785,121 | 785,109 | 785,121 | 785,109 |
| Losses per share (diluted) <i>(in Baht)</i> | (0.13) | (0.26) | (0.21) | (0.01) |

On 20 March 2013 the Company's Board of Directors proposed a non-renounceable non-underwritten rights issue and private placement to raise gross proceeds of approximately SGD 176.1 million by issuing up to 628,799,634 new rights shares at a price of SGD 0.28 per share to all shareholders. If shareholders do not fully subscribe for their rights shares, the Company may then do a private placement for the remaining shares.

The equity fund raising is subject to certain conditions, the approval of the SGX-ST, and the Company's shareholders.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods that ended on 31 March 2013 (Unaudited)

14 Dividends

At the annual general meeting of shareholders of the Company held on 28 January 2013, the shareholders approved the payment of an annual dividend of Baht 0.0274 per share, amounting to Baht 21.5 million. The dividend was paid to shareholders on 22 February 2013.

15 Guarantees

As at 31 March 2013 and 30 September 2012 the Group and the Company had outstanding guarantees as follows:

| | Consolidated financial statements | | | | | | | |
|--|-----------------------------------|----------------|-----------|------------|-------------------|----------------|-----------|----------|
| | 31 March 2013 | | | | 30 September 2012 | | | |
| | Baht | USD | AED | QAR | Baht | USD | AED | QAR |
| Letters of guarantee issued by financial institutions in the normal course of business | 15,600 | 12,454 | 50 | 300 | 27,590 | 1,920 | 50 | - |
| Guarantees for long-term borrowings of subsidiaries to financial institutions | - | 135,201 | - | - | - | 131,617 | - | - |
| Total | 15,600 | 147,655 | 50 | 300 | 27,590 | 133,537 | 50 | - |

| | Separate financial statements | | | |
|--|-------------------------------|----------------|-------------------|----------------|
| | 31 March 2013 | | 30 September 2012 | |
| | Baht | USD | Baht | USD |
| Letters of guarantee issued by financial institutions in the normal course of business | 400 | 8,750 | 400 | - |
| Guarantees for long-term borrowings of subsidiaries to financial institutions | - | 135,201 | - | 131,617 |
| Total | 400 | 143,951 | 400 | 131,617 |

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods that ended on 31 March 2013 (Unaudited)

16 Commitments with non-related parties

| | Consolidated financial statements | | | |
|--|-----------------------------------|--------------|-------------------|--------------|
| | 31 March 2013 | | 30 September 2012 | |
| | SGD | USD | SGD | USD |
| <i>(in thousand)</i> | | | | |
| Capital commitments | | | | |
| Rig special periodic survey contracts | 3,030 | - | - | 903 |
| Total | 3,030 | - | - | 903 |
| Non-cancellable operating lease commitments | | | | |
| Within one year | - | 5,845 | - | 6,387 |
| After one year but within five years | - | - | - | 2,643 |
| Total | - | 5,845 | - | 9,030 |

Other commitments

As at 31 March 2013 the Group had commitments on procurement commission of a new drilling unit of USD 2.0 million (30 September 2012: USD 2.0 million).

17 Events after the reporting period

On 30 April 2013 the Board of Directors of Asia Offshore Drilling Limited (“AOD”), an associate, approved to delist AOD’s shares from the Oslo Stock Exchange. The delisting of AOD’s shares will be taken place within 31 May 2013.

18 Thai Financial Reporting Standards not yet adopted

The Group has not adopted the following new and revised Thai Financial Reporting Standards (“TFRS”) that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are expected to become effective for annual financial periods beginning on or after 1 January 2013.

| TFRS | Topic | Year effective |
|-----------------------|---|----------------|
| TAS 21 (revised 2009) | The Effects of Changes in Foreign Exchange Rates | 2013 |
| TFRS 8 | Operating Segments | 2013 |
| TFRIC 4 | Determining whether an Arrangement contains a Lease | 2014 |

Management expects to adopt and apply these new and revised TFRS in accordance with the Federation of Accounting Professions’ announcement. These standards are as follows:

TAS 21 (revised 2009) – The effects of changes in foreign exchange rates

The principal change introduced by TAS 21 is the introduction of the concept of functional currency, which is defined as the currency of the primary economic environment in which the entity operates. TAS 21 requires the entity to determine its functional currency and translate foreign currency items into its functional currency, reporting the effects of such translation in accordance with the provisions of TAS 21. Foreign currencies are defined by TAS 21 as all currencies other than the entity’s functional currency.

Mermaid Maritime Public Company Limited and its Subsidiaries
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The Group will apply this standard commencing 1 October 2013. Management is currently assessing the impact of applying this standard.

TFRS 8 – Operating segments

The principal change introduced by TFRS 8 is the introduction of the concept of presenting operating segments based on the information that internally is provided to the Group’s chief operating decision maker. Since the change in accounting policy only impacts disclosure aspects, there is no impact on the Group’s financial statements.

TFRIC 4 – Determining whether an Arrangement contains a Lease

TFRIC 4 addresses arrangements that do not take the legal form of a lease, but convey rights to use items for agreed periods of time in return for a payment or series of payments. TFRIC 4 provides guidance for evaluating whether such arrangements are, or contain, leases that should be accounted for under TAS 17 Leases. If an agreement is determined to contain a lease, then TFRIC 4 requires TAS 17 to be applied to classify and account for the lease.

Management is of the opinion that the adoption of TFRIC 4 as from 1 January 2014 will not have significant impact on the Group’s financial statements.

19 Reclassification of accounts

Certain accounts in the consolidated statement of financial position as at 30 September 2012 which are included in the interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 31 March 2013 interim financial statements.

| | Consolidated financial statement | | |
|---------------------------|---|---------------------------|---------------------------|
| | Before Reclassification | Reclassification | After Reclassification |
| | | <i>(in thousand Baht)</i> | |
| Advances to third party | 286,707 | (286,707) | - |
| Deferred contract costs | - | 277,459 | 277,459 |
| Other accounts receivable | 253,264 | 9,248 | 262,512 |
| | | <u> -</u> | |

The reclassifications have been made, because in the opinion of management, the new classification is more appropriate to the Group’s business.