



❖ Resilient
Enduring industry down cycles
and emerging stronger than ever

❖ Annual Report
2014 (2)

(Financial Period 1 October-31 December 2014)

❖ Mermaid Maritime Public Company Limited

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KEY FIGURES 2014

USD 328 m

Service Income increased 9% from CY2013's USD 300 m

USD 36 m

Turnaround to Attributable Profit for CY2014 from USD 29 m in CY2013

Attributable Profit

The Group delivered solid performance bringing a strong Attributable Profit

USD 378 m

Net Tangible Assets increased 17% from FY2013's USD 322 m

6.44%

ROE grew from 5.37% in CY2013

ROE

Improving in line with increase in Attributable Profit

USD 74 m

EBITDA increase from CY2013's USD 70 m

USD 0.86 Cents

Total dividend per share increase from CY2013's USD 0.09 Cents

Dividend

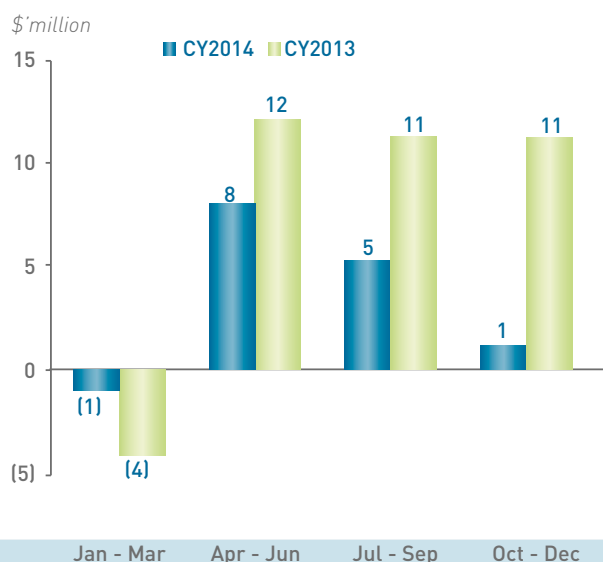
Total dividend per share for 2014 amounting to USD 0.86 Cents was paid. This is about 34% of Attributable Profit.

02 QUARTERLY PERFORMANCE

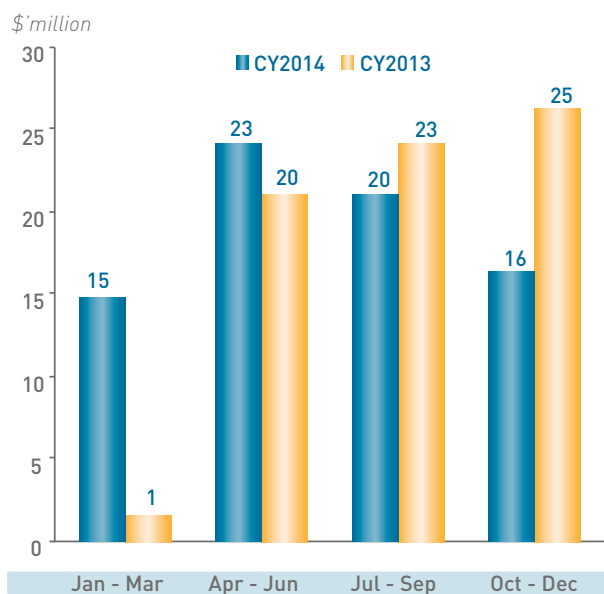
Group quarterly result

For the Calendar Year (US\$'000)	2013				2014			
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec
Service income	47,045	80,444	89,139	83,786	63,700	77,756	87,718	98,890
Operating profit (loss)	(4,046)	12,243	10,877	10,655	(1,119)	8,405	5,050	901
EBITDA	1,367	20,141	23,079	25,418	14,791	23,124	20,455	15,526
Profit (loss) before tax	(5,957)	11,778	13,871	16,964	6,494	14,885	12,084	7,068
Attributable Profit	(5,456)	10,714	10,590	13,151	5,166	13,003	13,836	4,323
Earning per share (cents) Year-to-date	(0.71)	0.66	1.98	0.94	1.30	2.22	3.20	0.31
Earning per share (cents) In-quarter	(0.70)	0.01	1.28	0.94	0.37	0.92	0.98	0.31

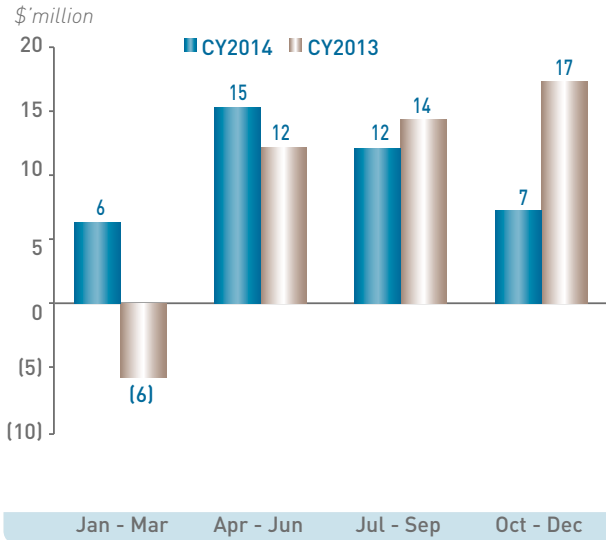
Quarterly Operating Profit



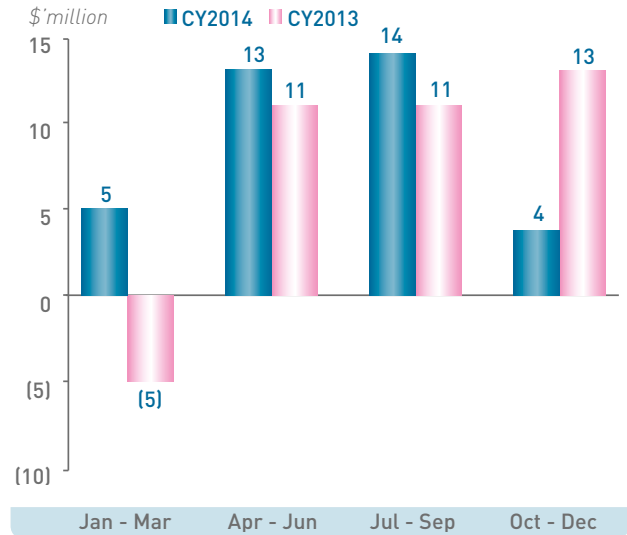
Quarterly EBITDA



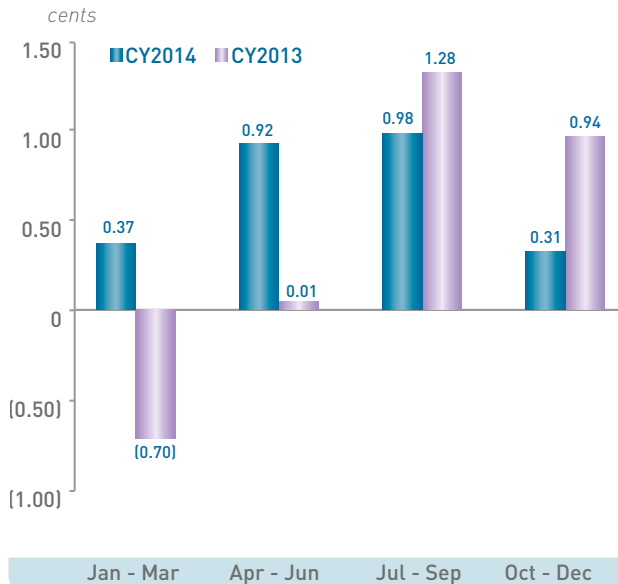
Quarterly Profit (Loss) Before Tax



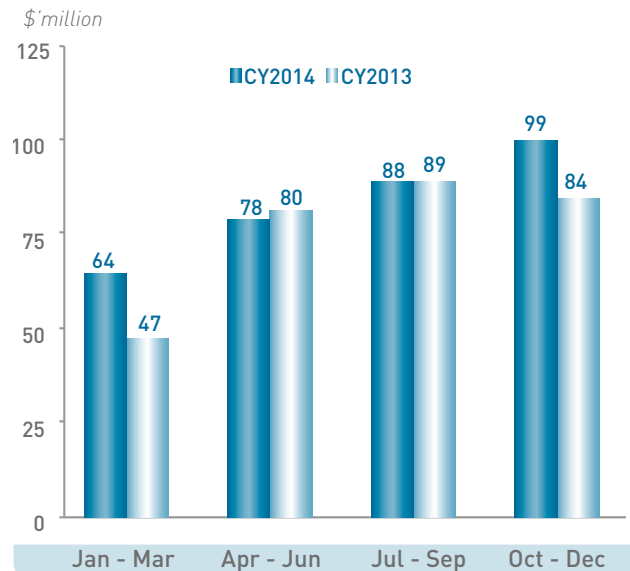
Quarterly Attributable Profit



Quarterly Earnings Per Share



Quarterly Service Income





MR. PRASERT BUNSUMPUN
CHAIRMAN OF THE BOARD

Dear Shareholders,

It was not too long ago that we last presented you with our annual shareholders' report and yet, in this relatively short period of time, the environment and outlook for the oil and gas industry have radically changed (for the worse), as a result from falling oil prices. The downward oil price, which began during the middle of last year accelerated in the final quarter of 2014 and started putting pressure on our industry. While this has somewhat stabilized, the consequences are only starting to appear as the industry looks to adjust and recalibrate to the new lower oil price environment.

Even as we brace for tougher times ahead, we are pleased to report satisfactory shareholders' report card for the three-month period ending December 2014. As approved by shareholders, the Company changed its fiscal year-end reporting from September to December which has led to this one-off transitional three-month report. This change will also align us with our parent company Thoresen Thai Agencies Plc which has also changed its fiscal year-end, to December in line with most companies on the stock exchange.

While no company in our industry can be immune to the downturn, we are taking decisive steps to safeguard our business in the present climate. This includes



managing our cost and executing on our operating plans in the short term while seizing organic growth opportunities. Our Company's strong financial position offers us the opportunity to be a consolidator, although we will act only when the opportunity is very attractive.

Satisfactory Performance Amid Challenging Market Conditions

For the transitional three-month period ending December ("5QFY14"), our continued product and geographical expansion strategy drove revenues of USD 98.9 million in 5QFY14, an increase of 18% year-on-year ("yoy") compared to the same period last year, results in net profit after tax of USD 4.3 million. On a twelve-month basis, we would have reported net profit after tax of USD 36.3 million for the calendar year 2014 period, an increase of 25% yoy over the corresponding period in 2013.

Nevertheless, the performance was partly marked down by an impairment loss from one of our older subsea fleet vessels, Mermaid Siam amounting to USD 1.5 million, our core earnings for the period were USD 5.8 million. In addition, one of our vessels undertook planned mandatory five-year dry docking maintenance. Still, there were some challenges, namely lower utilization, and our newly established cable laying venture along with the cancellation of our tender rig contract, which we will elaborate further.

Despite the deteriorating market conditions, we have continued to win quality contracts. Our strong contract backlog of USD 470 million will provide the Company with a solid foundation to weather the challenging market conditions.

Addressing Operational Challenges

As a whole, our subsea business is performing satisfactorily because we focus largely on Inspection, Repair and Maintenance ("IRM") services. However, utilization rates are lower and as such we will market these vessels more aggressively. In spite of this, the cable laying venture is the more concern due to the steep learning curve. Although the business started off well, execution was affected by uncontrollable factors such as poor weather conditions, and technical complications. We are taking comprehensive actions to address these challenges.

As we continue to move into higher value-added services and that our clients see us as a partner providing a 'one-stop-shop' service. We will nevertheless be vigilant and disciplined to ensure we continue to create value for our shareholders as we aspire to be a stronger player.

Our tender rig drilling business faced further setbacks during the period, with



MTR-2's premature contract termination due to a client's inability to secure their own government dumping permit for continued drilling. The unit, which has been working as a work-over unit with the client was demobilized in early December 2014. Now, alongside with MTR-1, which is an accommodation and construction barge, we are actively marketing and bidding both rigs.

December 2014. It remains our strategy to divest non-core offshore vessels to improve the average age and capability profile of our fleet and contribute to high-return investments.

Downturn not only Offers Challenges but also Opportunities

Drilling associate Asia Offshore Drilling continues to perform strongly with all three jack-up rigs contracted to Saudi Aramco, and achieving impressive utilization rates of 99%, 100% and 100% respectively. This represents an improvement over the previous twelve-month period, ending 30 September 2014, where utilization rates were 89%, 98% and 96% respectively.

As we speak, oil and gas companies are responding dynamically to the lower oil prices through cost reduction either in capital or operating expenditures. The cuts are most severe in oil exploration. While those operating in the oil production segment are mostly continuing business as usual, but eventually it will filter down and will also experience a downturn.



Fleet Renewal Program Remains On-Track

We maintain our clear objective to modernize our fleet by adding new built assets. As previously announced to shareholders, we made progress on this objective in early 2014 by placing orders for two tender rigs and one subsea DP2, multi-purpose dive support and construction vessel. These new built assets will become operational, and join our fleet next year. We recently celebrated the steel cutting ceremony for MTR-3, one of the new tender rigs, and the DSCV 'Mermaid Ausana' in

2015 will be a very challenging year for the industry, and the management team of Mermaid will continue to take actions with a strong focus on costs and risk management while more emphasizing on utilization. We will also step up our client engagement and will continue to pursue excellence in our service franchise. We believe that the actions taken will result in healthier Mermaid in the long-run, capable of generating returns through the downturn and the ability to face today's challenges. We are optimistic that the Company is well positioned to take advantage of this cycle and to come out stronger in the eventual recovery.



Even though Mermaid has a strong financial position, we do not feel that the valuations of potential acquisition targets attractive hence the primary focus for us remains on improving operational performance for the time being, until the Company has a firmer view on the shape of the recovery.

Word of Thanks

I would like to take this opportunity to convey my extreme gratitude to all of you, our valued stakeholders, for your continued support and for your continued confidence in the Company. For our esteemed shareholders, the Board of Directors has recommended a dividend of 0.40 US cents per share was reward. This is in addition to the previous 0.47 US cents per share paid in February 2015 for the financial period ending September 2014.

2014 has been exceptionally productive year for the Company, and progress is continuing into 2015. While we have made

great strides, there remains much more to be done before the Company reaches its full potential. Our challenge is in fact now much greater, given the downturn the industry is facing.

At Mermaid, we are both excited and realistic about the next few years. We have, and will continue to steer the company profitably and invest in opportunities to improve our position in the market place as well as to face the competition. Today our foundation is firm and our efforts in expanding the business are paying off. We have great employees, and customer partners as well as strong demand for our services.

Across the company, we have one overriding objective and commitment: generating results that are profitable and sustainable. For everyone at Mermaid, it's all about driving up the bottom line.

Yours sincerely,



MERMAID COMPANY PROFILE

Mermaid is a leading international subsea and offshore drilling services company. Our corporate headquarters is in Thailand and we are listed on the Singapore Stock Exchange. We have operational bases in Thailand, Singapore, Indonesia, Qatar, Saudi Arabia and the United Arab Emirates.

We provide full turnkey services to oil and gas majors operating offshore through our diversified portfolio of subsea vessels, specialized diving equipment, remotely operated vehicles and drilling and accommodation rigs. We have been in the offshore business for over 30 years and we are today present in five geographical regions with a team of over 1000 professional divers, drillers, technicians, surveyors, management and support staff. Our vision is to be a premium service provider to the offshore oil and gas industry and to constantly deliver enhanced return to our shareholders.



**“LOOKING FOR
LONG TERM
GROWTH
PROSPECTS
OF MERMAID.”**

Prayudh Mahagitsiri
Honorary Adviser



SUBSEA SERVICES

**Mermaid Endurer**

(Built in 2010)

The DSV 'Mermaid Endurer' is a Norwegian purpose-built DP2 dive support and light construction vessel, specially designed for operations in severe weather conditions such as the North Sea. The vessel has high manoeuvrability and station keeping capabilities and is equipped with a built in 18-man single bell saturation diving system complete with a self-propelled hyperbaric lifeboat. The vessel has a 100-tonne active heave-compensated knuckle boom crane and accommodation for 86 personnel plus 18 divers in saturation. The DSV 'Mermaid Endurer' is DNV classed and flies the Panama flag.

**Mermaid Asiana**

(Built in 2010)

The DSV 'Mermaid Asiana' is a purpose-built DP2 dive support and light construction vessel. The vessel is equipped with a built in 12-man single bell saturation diving system complete with a self-propelled hyperbaric lifeboat. The vessel also has a 100-tonne active heave-compensated knuckle boom crane and accommodation for 100 personnel plus 12 divers in saturation. This vessel is designed for operations in the Middle East and Asia-Pacific region. The DSV 'Mermaid Asiana' is ABS classed and flies the Panama flag.

**Mermaid Commander**

(Built in 1987)

The DSV 'Mermaid Commander' is a purpose-built DP2 diving support vessel currently operating in the Gulf of Thailand. The vessel is equipped with a built in 16-man twin bell saturation diving system complete with a self-propelled hyperbaric lifeboat. The vessel has a 60-tonne crane and accommodation for 90 personnel plus 16 divers in saturation. This vessel has an outstanding reputation for performance of diving operations worldwide, including offshore Brazil and the North Sea. The DSV 'Mermaid Commander' is DNV classed and flies the Panama flag.

SUBSEA SERVICES

Mermaid Sapphire

(Built in 2009)

The RSV 'Mermaid Sapphire' is a DP2 remotely operated vehicle ("ROV") support vessel equipped with a deepwater work-class ROV, a 23-tonne knuckle boom crane and accommodation for 60 personnel. In 2012, the vessel supported James Cameron in his historical deep sea dive to the Challenger Deep, the world's deepest point in the Pacific Ocean's Mariana Trench, 10.99km below ocean surface. The RSV 'Mermaid Sapphire' is ABS classed and flies the Panama flag.



Mermaid Challenger

(Built in 2008)

The MV 'Mermaid Challenger' is a DP1 offshore support vessel with 72-tonne bollard-pull capacity, and is also suitable for performing ROV support vessel duties. This vessel can be equipped with heavy work-class ROVs and has accommodation for 38 personnel. Originally built as an anchor handling and tug supply vessel, the vessel has supported offshore operations in Vietnam for the past few years. The MV 'Mermaid Challenger' is DNV classed and flies the Panama flag.



Barakuda

(Built in 1982)

The SS 'Barakuda' (formerly MV 'Mermaid Supporter') is a utility vessel equipped with an omni-directional bow thruster and accommodation for 30 personnel. This vessel has an extensive track record for performance of platform inspection and FPSO (Floating Production Storage and Offloading) facility underwater inspection projects in South-East Asia using a combination of ROV and surface diving methods. The SS 'Barakuda' is DNV classed and flies the Indonesian flag.





SUBSEA SERVICES

**Mermaid Ausana**

(Under construction with delivery in 2016)

The DSCV 'Mermaid Ausana' is a DP2 multipurpose subsea dive support and construction vessel that will be equipped with an 18-man twin bell saturation system and will have two self powered hyperbaric lifeboats. The vessel will also be equipped with diesel electric frequency controlled propulsion, highly efficient azimuth thrusters, dynamic positioning systems, offshore cranes and a large platform deck for construction duties. Based on the Norwegian MT6024 design, the vessel will have excellent characteristics for deployment worldwide. Scheduled for delivery in 2016, the DSCV 'Mermaid Ausana' will be DNV classed, fully OGP compliant and will fly the Singapore flag.

**Endeavour (Chartered-In)**

(Built in 2008)

The RSV 'Endeavour' is a DP2 ROV support vessel chartered-in by Mermaid's Indonesian unit. The vessel has been specially modified for Inspection, Repair and Maintenance ("IRM") duties and construction support tasks and is also capable of geophysical and geotechnical survey. This vessel is equipped with a 25-tonne main crane, 3-tonne general purpose crane, 40-tonne and 30-tonne A-frame and accommodation for 57 personnel. The RSV 'Endeavour' is Bureau Veritas/BKI classed and flies the Indonesia flag.

**Resolution (Chartered-In)**

(Built in 2013)

The RSV 'Resolution' is a DP2 ROV and diving support vessel chartered-in by Mermaid's Indonesian unit. The vessel has been specially modified for IRM duties and construction support tasks and is also capable of geophysical and geotechnical survey. This vessel is equipped with a 20-tonne main crane, 3-tonne general purpose crane, 25-tonne A-frame and accommodation for 60 personnel. The RSV 'Resolution' is Bureau Veritas/BKI classed and flies the Indonesia flag.

SUBSEA SERVICES

Mubarak Supporter (Chartered-In)

(Built in 2014)

The DPB 'Mubarak Supporter' is a purpose-built DP2 construction barge designed and equipped specifically for cable and flexible pipe laying support worldwide. The vessel is chartered-in by Mermaid's Middle East unit. Designed to specifications determined by Mermaid, the vessel has the capability to carry a large quantity of cable, works effectively in shallow water, equipped with a 250 tonne crane, 8 point mooring capability and accommodation for 208 personnel. The DPB 'Mubarak Supporter' is BV classed and flies the United Arab Emirates flag.



Bourbon Evolution 806 (Chartered-In)

(Built in 2013)

The MSV 'Bourbon Evolution 806' is a purpose-built DP3 multi-purpose subsea support services vessel designed and equipped for subsea operations worldwide. The vessel is chartered-in by Mermaid's Middle East unit. The vessel's capabilities include lifting and installation, diving, ROVs, survey and floatel services. It is equipped with a 150 tonne and 40 tonne active heave-compensated crane and has a large deck space with accommodation for 105 personnel. The MSV 'Bourbon Evolution 806' is Bureau Veritas classed and flies the Luxembourg flag.



Windermere (Chartered-In)

(Built in 2010)

The DSV 'Windermere' is a purpose-built DP2 diving support vessel. The vessel is chartered-in by Mermaid's Indonesian unit and has worldwide capabilities. The vessel is equipped with a built in 15-man saturation diving system complete with a self-propelled hyperbaric lifeboat. The vessel has a 40-tonne active heave-compensated subsea crane, and accommodation for 120 personnel. The DSV 'Windermere' is ABS classed and flies the Indonesian flag.



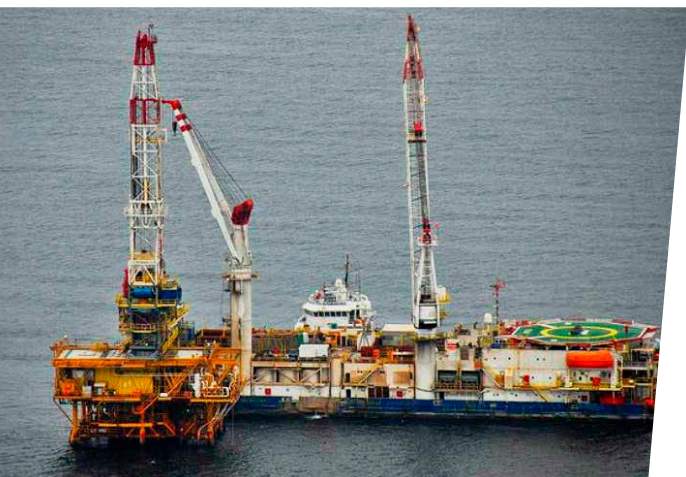
DRILLING AND ACCOMMODATION BARGE SERVICES



MTR-1

(Built in 1978 and upgraded in 1998)

The 'MTR-1' is a barge with an extensive service record. Before conversion in 2010, it was a tender assist drilling rig that completed numerous successful drilling campaigns for both national and international oil and gas majors in Malaysia and Indonesia. As an accommodation and work over barge, it has completed several successful campaigns in Indonesia with an excellent track record for efficiency, safety and reliability. Being a former tender drilling rig, it is equipped with a large deck space, mud pumps and a heavy lift crane that offers a competitive advantage over other standard barges. This barge is ideal for accommodation and work over services in South East Asia and West Africa, has a water depth rating of 100 meters on conventional mooring and 680 meters on pre-laid mooring and accommodation for 112 personnel. The 'MTR-1' is ABS classed and flies the Singapore flag.



MTR-2

(Built in 1981 and upgraded in 1997 and 2007)

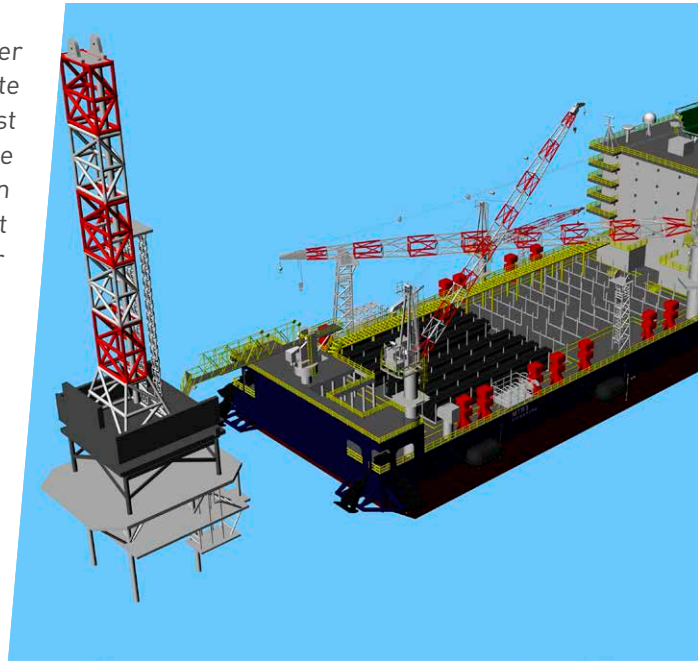
The 'MTR-2' is a tender assist drilling rig also with an extensive service record. It is uniquely characterized by its light weight drilling package that is suitable for light weight platforms in the South East Asian region. In addition, it has the ability to deliver fast rig-up time for its drilling package compared to other tender rigs thus offering cost savings to oil and gas majors. It also has an excellent track record for efficiency, safety and reliability and has completed several successful campaigns in Thailand and Indonesia. This rig is ideal for drilling on light weight platforms in South East Asia and West Africa and has a water depth rating of 100 meters on conventional mooring and 680 meters on pre-laid mooring, a drilling depth rating of 5,500 meters and accommodation for 126 personnel. The 'MTR-2' is ABS classed and flies the Thai flag.

DRILLING AND ACCOMMODATION BARGE SERVICES

MTR-3 & MTR-4

(Under construction with delivery in 2016)

The 'MTR-3' and 'MTR-4' are performance class tender assist drilling rigs. These state-of-the-art rigs incorporate the latest modern design features and will be the most advanced tender rigs in the market when they are delivered. The rigs will each be equipped with a modern drilling package supplied by leading drilling equipment specialist National Oilwell Varco. Compared to other tender rigs, these rigs will feature larger deck space, bigger cranes, faster rig moves, larger and more living quarter capacity, larger tank storage and offline activity systems. The rigs will be able to operate in water depths of up to 243 meters with conventional mooring and 914 meters with pre-laid mooring. They will each also have a drilling depth rating of 7620 meters and accommodation for 200 personnel. All these features will make them more marketable to customers looking for a complete solution to their production drilling programs. Delivery of the 'MTR-3' is scheduled for the first quarter of 2016 and 'MTR-4' on the second quarter of 2016. Both will be ABS classed and will fly the Singapore flag.



AOD I & AOD II & AOD III

(Built in 2013)

The 'AOD I', 'AOD II' and 'AOD III' are high specification jack-up drilling rigs. Built to the popular MOD V B-Class model by Keppel FELS in Singapore, these rigs are on long term drilling contracts from 2013 to 2016 in Saudi Arabia with extension options. The rigs had undergone customization at client expense to suit working conditions and workplace configuration and have achieved high operational efficiency, safety and reliability since commencement of their respective drilling programs to date. Each rig can work in water depths of up to 400 meters, has a drilling depth rating of 30,000 feet and has accommodation for 150 personnel. The 'AOD I', 'AOD II' and 'AOD III' are ABS classed and fly the Panama flag. These rigs are owned by Asia Offshore Drilling Limited in which Mermaid has a 33.76 percent ownership interest.





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3.

The Board of Directors (“Board”) is responsible for the overall management and strategic direction of Mermaid. The Board is required to meet on a quarterly basis to review and monitor our financial position and operations. Ad-hoc meetings are also called to discuss other major issues, such as establishment and capital increases of new subsidiaries, significant asset investments, and annual budget approvals. The Board consist of not fewer than five (5) Directors as per the Articles of Association.

1. Mr. Prasert Bunsumpun

Non-Executive Chairman (Age 63)

Mr. Prasert Bunsumpun brings to Mermaid 30 years of experience in the oil and gas industry. Besides his role in Mermaid, he serves as Chairman of other Boards, including Thoresen Thai Agencies Plc., PTT Global Chemical Plc., Krungthai Bank Plc., and as a Director on the board of PTT Plc. and Intouch Holdings Plc. He also previously served as Chairman of IRPC Plc. and Thai Lube Base Plc. He was President and CEO of PTT Plc. for over eight years and has served in a number of senior roles at PTT Exploration and Production Plc., PTT Chemical Plc., PTT Aromatic and Refinery Plc., Thai Oil Plc., and Bangchak Petroleum Plc. Mr. Bunsumpun holds a Master in Business Administration (M.B.A.) from Utah State University, U.S.A., a Bachelor of Engineering in Civil Engineering (B.Eng.) from Chulalongkorn University in Thailand, and has a number of Honorary Doctorates from renowned universities in Thailand. He also completed his Certificate in Advanced Management Program (AMP 155) from Harvard Business School, U.S.A.

2. Mr. Chalermchai Mahagitsiri

Executive Vice Chairman (Age 36)

Mr. Chalermchai Mahagitsiri brings a proven track record of successfully managing and growing a variety of businesses through his service as Chief Executive Officer

of PM Group Co. Ltd., Director of Quality Coffee Products Co. Ltd., Vice Chairman of Posco-Thainox Public Co. Ltd., Vice Chairman of Thai Film Industries Public Co. Ltd., and Managing Director of Lakewood Country Club Co. Ltd. He also serves as Executive Vice Chairman and President and CEO of Thoresen Thai Agencies Plc. and is Executive Vice Chairman of its subsidiary, Unique Mining Services Plc. Mr. Chalermchai holds a Master of Science (M.Sc.) in Finance from Boston University and a Bachelor of Science (B.Sc.) in Finance from Suffolk University, both in the U.S.A.

3. Mr. Chia Wan Huat Joseph

Executive Director (Age 55)

Mr. Chia Wan Huat Joseph currently serves as Senior Executive Vice President of PM Group Co. Ltd. He also serves on the board of Thoresen Thai Agencies Plc. He brings to Mermaid over 13 years of experience in financial management. He previously worked at Advance Finance Plc., focusing on the steel, mining, paper, and energy sectors. Mr. Chia holds an Executive Master of Business Administration (M.B.A.) from the Sasin Graduate Institute of Business Administration of Chulalongkorn University, Thailand.



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4. Dr. Jean Paul Thevenin *Non-Executive Director (Age 74)*

Dr. Jean Paul Thevenin has a Ph.D. in Metallurgy from Orsay University in France and has produced many publications in the field of steel and the steel industry, where he developed his longstanding career. He also serves as a director of Thoresen Thai Agencies Plc. He was the former Managing Director and Chief Executive Officer of Thainox Stainless Public Company Limited, a stainless steel manufacturer in Thailand, which he was in charge of building and managing since 1991. He had also served for many years as President of the Franco–Thai Chamber of Commerce in Thailand and is a recipient of the National Order of Merit, a French decoration awarded in recognition of his distinguished civil achievements, as well as an honorary Ph.D. from King Mongkut Institute of Technology in Thailand.

5. Mr. Ng Cher Yan *Independent Director (Age 56)*

Mr. Ng Cher Yan is a professional accountant with more than 30 years of experience in his discipline. He worked for an international accounting firm in both Singapore and Australia for six years before starting his own accounting practice in 1990. He serves as a director on several Singapore listed companies, including Ecowise Holdings Ltd., Samko Timber Ltd., Moneymax Financial Services Ltd. and Vicplas International Ltd. He graduated with a Bachelor of Accountancy from the National University of Singapore and is a Member of the Institute of Chartered Accountants in Australia and Fellow Member of the Institute of Certified Public Accountants of Singapore (ICPAS). He is currently also the Chairman of the Citizens Consultative Committee of the Braddell Heights constituency. Mr Ng was awarded the Pingat Bakti Masyarakat, or the Public Service Medal in 2007.

6. Mr. Toh Wen Keong Joachim *Independent Director (Age 50)*

Mr. Toh Wen Keong Joachim is presently Deputy Chief Investment Officer at the National University of Singapore (Investment Office). He is a former Executive Vice President and Head of Investment Management at Great Eastern Holdings and Head of Insurance Asset Management at Straits Lion Asset Management Pte. Ltd. He has also worked for the Investment Company of the People's Republic of China (ICPRC) and ING Bank, Singapore. He brings with him strategic asset, investment and risk management skills, earned during his years of experience in the finance and investment industry. He holds a Bachelor of Business Administration (Finance) from the University of North Texas and is a Chartered Financial Analyst (CFA).

7. Dr. Jan Jozef Skorupa *Independent Director (Age 67)*

Dr. Jan Jozef Skorupa is currently Managing Director and a major shareholder of Clesol Co. Ltd. (Clean Environment Solutions), a company involved with process and equipment of the MAGUIN Group from France for bio-ethanol plants and conversion of biomass into energy. He is the former Managing Director of Fives Asia Office in Bangkok, an important French Engineering Group focusing on process and equipment for cement, steel, glass, sugar and energy industries. Prior to that, he had served as a Director of the Milling and Combustion Department of ALSTOM Group in France where he was responsible for marketing and sales of milling and combustion equipment for power generation and mining industries. He obtained a Master Degree in Mining Engineering from Polytechnic University of Silesia in Poland and a Doctorate Degree (Ph.D.) at University of Cape Town in South Africa in 1989.



1.



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3.

1. Mr. Paul Whiley

*Executive Director,
Mermaid Subsea Services*

Mr. Paul Whiley has been associated with Subtech Ltd. since 1993 and his passion of the subsea business led him to become full time in 2003. He progressed through the roles of Diving Superintendent, Offshore Construction Manager, Senior Project Manager, Business Development Manager and Managing Director. Subsequent to Mermaid's acquisition of Subtech in 2010 and as a result of his efforts in the successful growth of this company, Paul was appointed head of Mermaid Subsea Services with the responsibility to oversee this unit's expansion globally. Prior to Subtech/Mermaid, Paul worked with Comex, later Stolt Offshore, then Acergy (now part of Subsea 7).

Paul began his career as a diver in 1988 after he graduated in English and Law from the University of Natal in South Africa, and further studies at the University of South Africa in Sociology. During the years that followed university, his military career culminated in him becoming the most highly decorated soldier in South African Naval history after he was awarded the Honouris Crux Gold (Bravery). In the civilian realm, Paul also received numerous other awards including a Special Award for Outstanding Commitment and Human Endeavour from the University of Natal and Special Award for International Countenance from the Afrikaans Businessman's Society in South Africa.

2. Mr. Peter Reichlmeier

*Group Regional Director,
Eastern Hemisphere*

Mr. Peter Reichlmeier is an engineering surveyor with 25 years of experience in the offshore construction and subsea industry. He was initially project based, mostly offshore, as a survey party chief on offshore / subsea construction and related survey projects. He later built up his managerial career onshore as a Project Manager and Operations Manager with Comex, later Stolt Offshore, then Acergy (now part of Subsea 7). Co-founding Seascope Surveys Ltd. back in 2005 and as its Managing Director for many years, he led the growth and transformation of this company and was subsequently promoted to Group Regional Director for Mermaid Subsea Services.

3. Mr. Neil Howie

*Group Regional Director,
Western Hemisphere*

Mr. Neil Howie joined Mermaid Subsea Services in 2010 and brings with him 35 years of experience in the diving and subsea construction industry. Neil started his career as a Navy diver and after a couple of years sailing around the world, he moved to onshore diving and marine civil engineering. He has worked offshore with Comex as an air and saturation diver and hyperbaric welder and progressed through the ranks to Offshore Construction Manager for Technip and Acergy (now Subsea 7) managing all types of diving and subsea construction including pipe, flexible and



4.

cable laying and ROV construction projects. Moving onshore, Neil's achievements include setting up and managing projects in the North Sea, Qatar, Thailand and Saudi Arabia before moving to Abu Dhabi where he is now Group Regional Director for Mermaid Subsea Services, overseeing its western region and setting up the cable and flexible lay division.

4. Mr. Jeffery Allen Breal
*Operations Manager,
Mermaid Drilling*

Mr. Jeffery Allen Breal started his career with Santa Fe Drilling in 1975 on offshore rigs in the United States Gulf of Mexico and later joined Sedco Inc. in 1984. During this period, he shifted his focus from offshore to management roles with reputable drilling service companies. Prior to leaving the industry to achieve personal goals, he rounded off with being a Rig Manager of various rigs with Transocean Inc. and PT Apexindo in Indonesia. Jeff joined Mermaid Drilling in 2008 and his qualities as well as the depth of his knowledge and experience in the drilling industry has seen him promoted up the rank and file from Rig Manager to General Manager and now Operations Manager overseeing both Mermaid's existing rigs and new build rigs under construction.



5.

5. Mr. Katarat Suksawang
Chief Financial Officer

Mr. Katarat Suksawang joined Mermaid as Chief Financial Officer in January 2014 bringing 25 years of experience in group financial statements consolidation, internal control, projection planning, fund raising, budget implementation and forecast including relationship with banks and financial institutions. Katarat previously worked as a Country Controller for the Neptune Orient Lines group in Thailand from 1996 to 2013 during which he oversaw the Indochina sub-region for 8 years and dually took the role of Country Human Resources Manager between 1999 and 2002. Prior to joining Neptune Orient Lines, he served as a Financial Controller of Penn Asia Co. Ltd. in Thailand and Management Accounts Manager for POSCO-Thainox Plc., a listed company in the Stock Exchange of Thailand. Katarat's credentials include a B.A. and M.B.A. in Accounting and General Management. He is also a Certified Public Accountant (C.P.A.) in Thailand.

Note: The above Key Executives are in addition to Mr. Chalermchai Mahagitisri (Chief Executive Officer) and Mr. Chia Wan Huat Joseph (Executive Director). Both of their profiles can be found in the section on Board of Directors.

08 GLOBAL PRESENCE



31
years since Mermaid
Maritime's
establishment



1000+
skilled divers, crew,
technicians, support
service providers & management



12
subsea vessels*



Thailand

- Bangkok
- Chonburi



Saudi Arabia

- Al Khobar
- Dammam



Qatar

- Doha

* Includes 1 subsea vessel under construction and 5 subsea vessels on charter-in

** Includes 2 tender rigs under construction

*** 33.76% ownership through Asia Offshore Drilling Limited

08 GLOBAL PRESENCE



6 + 17
saturation and
air diving systems



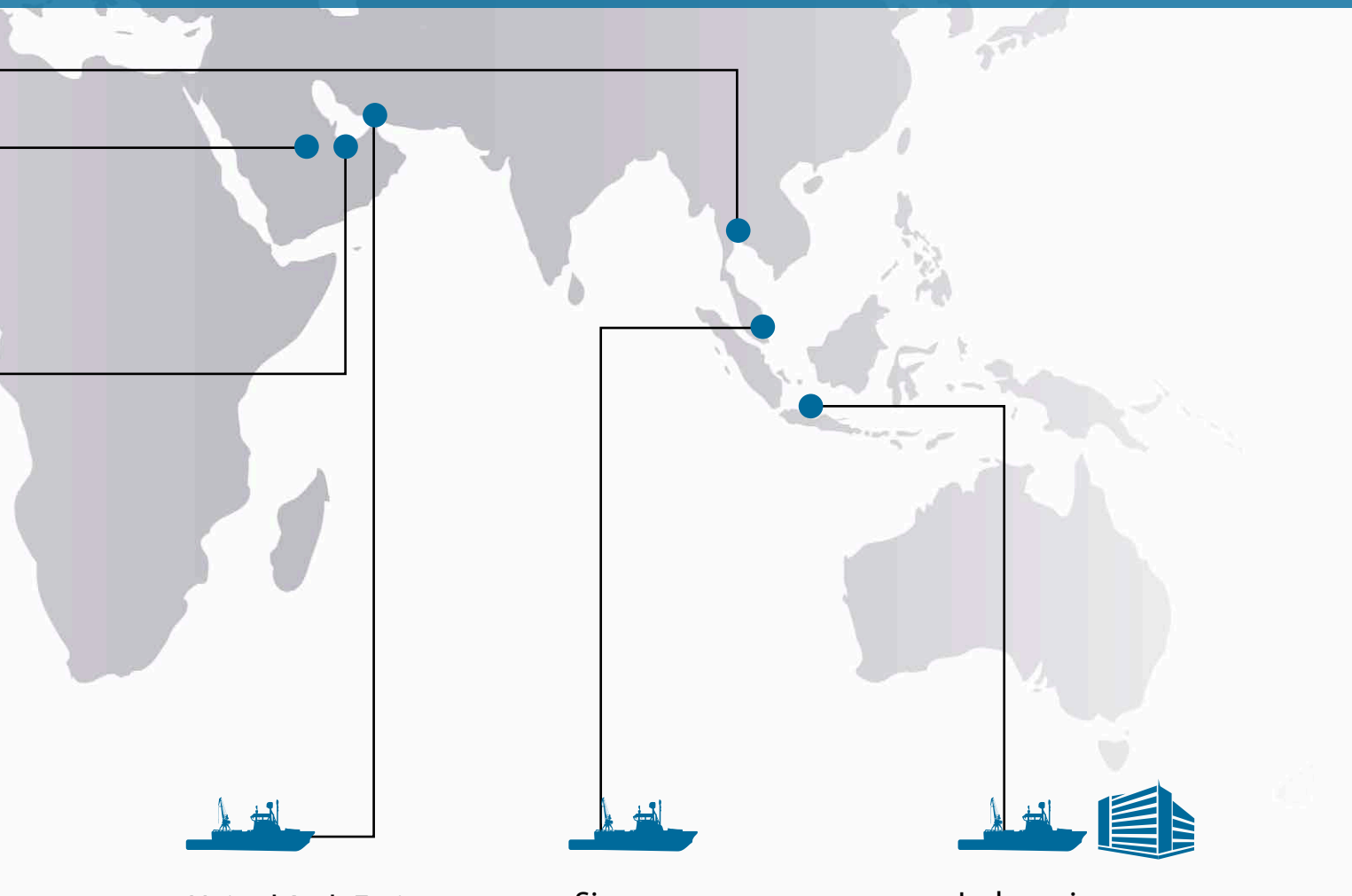
15
remotely
operated vehicles



4
tender rigs**



3
high-spec
jack-ups***



United Arab Emirates
• Abu Dhabi

Singapore

Indonesia
• Jakarta
• West Java

09 SIGNIFICANT EVENTS

December 2014



Steel Cutting Ceremony of MTR-3 Tender Rig by China Merchants Heavy Industry (Jiangsu) at Nantong Shipyard, Jiangsu, China.

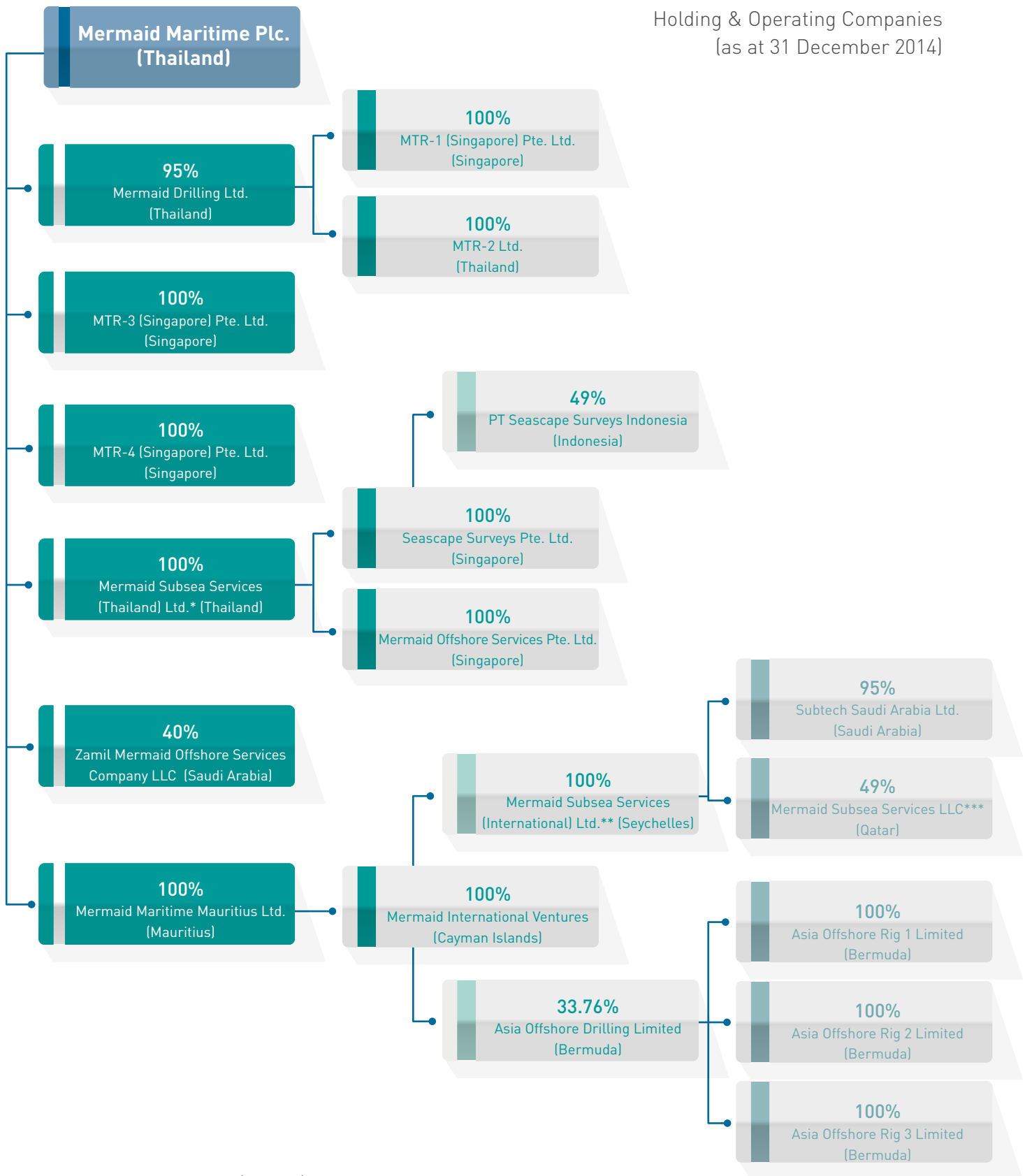
December 2014



Steel Cutting Ceremony of DSCV Mermaid Ausana by China Merchants Heavy Industry (Shenzhen) at Mazhou Island Shipyard, Shenzhen, China

10 CORPORATE STRUCTURE

Holding & Operating Companies
(as at 31 December 2014)



* Mermaid Subsea Services (Thailand) Ltd. was formerly known as Mermaid Offshore Services Ltd.
 ** Mermaid Subsea Services (International) Ltd. was formerly known as Subtech Ltd.
 *** Mermaid Subsea Services LLC was formerly known as Subtech Qatar Diving & Marine Services LLC.

as at 31 December 2014

No.	Company	Type of Business	Place of Incorporation	Date of Incorporation	Company Registration No.	Type of Share	Paid-up Capital	Shares Issued	% of Mermaid Shareholding
1.	Mermaid Maritime Public Company Limited	Holding	Thailand	15 January 2007 (as public company)	0107550000017	Ordinary	THB1,413,328,857	1,413,328,857	-
2.	Mermaid Subsea Services (Thailand) Ltd. (a)	Subsea	Thailand	24 June 2003	0105546072562	Ordinary	THB2,930,000,000	293,000,000	100% (direct)
3.	Seascope Surveys (Thailand) Ltd.	Subsea	Thailand	26 March 2008	0105551035432	Ordinary	THB34,000,000	3,400,000	100% (indirect)
4.	Seascope Surveys Pte. Ltd.	Subsea	Singapore	24 November 2004	200415192D	Ordinary	SGD100	100	100% (indirect)
5.	PT Seascope Surveys Indonesia	Subsea	Indonesia	19 January 2005	09.03.1.74.44960	Ordinary	Rp7,328,000,000 (USD200,000)	800	49% (indirect)
6.	Mermaid Subsea Services (International) Ltd. (b)	Subsea	Seychelles	05 March 2008	046418	Ordinary	USD1	1	100% (indirect)
7.	Mermaid Subsea Services LLC (c)	Subsea	Qatar	11 November 2008	40867	Ordinary	QAR200,000	200	49% (indirect)
8.	Subtech Saudi Arabia Ltd.	Subsea	Saudi Arabia	8 April 2011	623353	Ordinary	SAR500,000	5,000	95% (indirect)
9.	Zamil – Mermaid Offshore Services Company LLC	Subsea	Saudi Arabia	18 September 2012	2051050298	Ordinary	SAR2,000,000	2,000	40% (direct)
10.	Mermaid Offshore Services Pte. Ltd.	Subsea	Singapore	28 March 2011	201107423W	Ordinary	USD20,400,100	20,400,100	100% (indirect)
11.	Mermaid Drilling Ltd.	Holding	Thailand	24 January 2005	0105548011196	Ordinary	THB410,000,000	41,000,000	95% (direct)
12.	Mermaid Drilling (Singapore) Pte. Ltd.	Holding	Singapore	27 February 2007	200703192D	Ordinary	USD50,999,926	50,999,926	100% (direct)
13.	Mermaid Drilling (Malaysia) Sdn. Bhd.	Drilling	Malaysia	5 August 2005	705457A	Ordinary	RM500,000	500,000	95% (indirect)

11 MERMAID GROUP COMPANIES

as at 31 December 2014

No.	Company	Type of Business	Place of Incorporation	Date of Incorporation	Company Registration No.	Type of Share	Paid-up Capital	Shares Issued	% of Mermaid Shareholding
14.	MTR-1 Ltd.	Drilling	Thailand	15 March 2005	0105548036890	Ordinary	THB240,000,000	24,000,000	95% (indirect)
15.	MTR-2 Ltd.	Drilling	Thailand	15 March 2005	0105548036881	Ordinary	THB350,000,000	35,000,000	95% (indirect)
16.	MTR-1 (Singapore) Pte. Ltd.	Drilling	Singapore	27 September 2007	200717860H	Ordinary	USD40,000	40,000	95% (indirect)
17.	MTR-2 (Singapore) Pte. Ltd.	Drilling	Singapore	27 September 2007	200717875R	Ordinary	USD1	1	95% (indirect)
18.	MTR-3 (Singapore) Pte. Ltd.	Drilling	Singapore	30 July 2008	200814981N	Ordinary	USD22,000,100	22,000,100	100% (direct)
19.	MTR-4 (Singapore) Pte. Ltd.	Drilling	Singapore	8 January 2014	201400893C	Ordinary	USD22,000,079	22,000,100	100% (direct)
20.	Mermaid MTN Pte. Ltd. (d)	Drilling	Singapore	8 January 2014	201400899G	Ordinary	SGD100	100	100% (direct)
21.	Asia Offshore Drilling Limited	Holding	Bermuda	29 October 2010	44712	Ordinary	USD60,000,100	60,000,100	33.76% (direct)
22.	Asia Offshore Rig 1 Limited	Drilling	Bermuda	29 October 2010	44713	Ordinary	USD36,000,000	36,000,000	33.76% (indirect)
23.	Asia Offshore Rig 2 Limited	Drilling	Bermuda	29 October 2010	44714	Ordinary	USD36,000,000	36,000,000	33.76% (indirect)
24.	Asia Offshore Rig 3 Limited	Drilling	Bermuda	1 July 2011	45551	Ordinary	USD36,000,000	36,000,000	33.76% (indirect)
25.	Mermaid Maritime Mauritius Ltd.	Holding	Mauritius	25 March 2014	121881	Ordinary	USD1	1	100% (direct)
26.	Mermaid International Ventures	Holding	Cayman Islands	26 August 2014	291210	Ordinary	USD100	100	100% (indirect)

(a) Mermaid Subsea Services (Thailand) Ltd. was formerly known as Mermaid Offshore Services Ltd.

(b) Mermaid Subsea Services (International) Ltd. was formerly known as Subtech Ltd.

(c) Mermaid Subsea Services LLC was formerly known as Subtech Qatar Diving & Marine Services LLC.

(d) Mermaid MTN Pte. Ltd. was formerly known as MTR-5 (Singapore) Pte. Ltd.

1. Material Contracts Involving Interested Persons

There were no material contracts of Mermaid or its subsidiaries involving the interests of the Mermaid's Chief Executive Officer, each Director of Mermaid, or any of the controlling shareholders of Mermaid, entered into during the financial period from 1 October to 31 December 2014 or still subsisting as at 31 December 2014.

2. Dealings in Securities

Based on best practice recommendations in Rule 1207(19) of the SGX-ST Listing Manual, Mermaid introduced a Code of Business Conduct that, among other things, prohibits its officers from using or sharing non-public information for trading purposes in the securities of Mermaid, or for any non-business purpose. Such prohibition should also have the effect of deterring such persons from trading in Mermaid's securities on short-term considerations.

Mermaid also introduced a specific Share Dealing and Inside Information Protection Policy which addresses dealings in securities in greater detail. The said policy sets out a prohibition on dealing in Company shares on short term considerations, prohibition on dealing in Company shares prior to release of financial results, prohibition on dealing in Company shares when in possession of inside information, prohibition on giving advice in respect of dealing in Company shares using inside information and general obligations to observe confidentiality.

Before announcement of financial results, Mermaid has also a system of sending prior notification to all its Directors and those other officers of Mermaid who have access to price-sensitive financial information reminding them not to deal in securities of Mermaid during each period commencing two (2) weeks before the announcement of Mermaid's financial statements for each of the first three quarters of the financial year, and one (1) month before announcement of Mermaid's full financial year statements, ending on the date of announcement of the relevant results.

3. Audit and Non-Audit Fees

Audit fee paid to KPMG group during the financial period from 1 October to 31 December 2014 amounted to US Dollars 96,092 (Ninety six thousand and ninety two United States Dollars).

12 GENERAL DISCLOSURES

Non-audit fee paid to KPMG group during the financial period from 1 October to 31 December 2014 amounted to US Dollars 6,702 (Six thousand seven hundred and two United States Dollars). This was for work related to agreed-upon procedures in relation to Thailand Board of Investment (“BOI”) related certification, tax advice and corporate income tax filing. The Audit Committee had reviewed these transactions and was of the opinion that these transactions did not affect the independence of KPMG Phoomchai Audit Ltd. conducting the audit of the Company and its relevant subsidiaries, did not affect the independence of their audit signatory’s review and certification of the Company’s financial statements and the Company and its subsidiaries’ consolidated financial statements for the period from 1 October to 31 December 2014.

	Group	
	Oct’14 – Dec’14 USD	Oct’13 – Sep’14 USD
Audit fees :		
- Auditors of the Company	96,092	188,700
- Other auditors	21,500	22,734
Non-audit fees :		
- Auditors of the Company	6,702	86,912
- Other auditors	127	13,171
Total audit and non-audit fees	124,421	311,517

4. Appointment of Auditor

KPMG Phoomchai Audit Ltd. was reappointed by a resolution of the Company’s shareholders on 27 January 2015 to audit the Company’s financial statements and the Company and its subsidiaries’ consolidated financial statements for the period from 1 October to 31 December 2014.

The following names are audit partners whom were appointed to engage in audit of the consolidated and Company financial statements for the period from 1 October to 31 December 2014.

- | | |
|-----------------------------------|----------------------|
| 1. Ms. Siripen Sukcharoenyingyong | CPA License No. 3636 |
| 2. Mr. Charoen Phosamritlert | CPA License No. 4068 |
| 3. Mr. Veerachai Ratanajaratkul | CPA License No. 4323 |
| 4. Ms. Pornthip Rimdusit | CPA License No. 5565 |

Ms. Pornthip Rimdusit was the audit partner in charge of auditing and expressed her opinion on the consolidated and Company financial statements for the period from 1 October to 31 December 2014. This is the first year that she audited and expressed her opinion on the consolidated and Company financial statements.

12 GENERAL DISCLOSURES

KPMG group was appointed to audit all of the Company's significant subsidiaries for the period from 1 October to 31 December 2014 including Seascope Surveys Pte. Ltd., except for the other Singapore-based subsidiaries, which was audited by Thong & Lim, certified public accountants based in Singapore. Mermaid's Board and Audit Committee were satisfied that the appointment of Thong & Lim as auditor of the said subsidiary did not compromise the standard and effectiveness of the audit of Mermaid on a consolidated basis. There was a significant associated company, Asia Offshore Drilling Limited, for the period from 1 October to 31 December 2014, PricewaterhouseCoopers LLP was appointed to engage in audit of the non-statutory financial statements for the period from 1 October to 31 December 2014 of this significant associated company.

For the purposes of the preceding paragraph, an entity is significant if its net tangible assets represent 20% or more of the Company's consolidated net tangible assets, or its pre-tax profits account for 20% or more of the Company's consolidated pre-tax profits.

In appointing the auditing firms for the Company, subsidiaries and significant associated company, we have complied with Rules 712 and Rule 715 or 716 of the SGX-ST Listing Manual.

5. Interested Person Transactions

Mermaid has no interested person transactions for the financial period from 1 October to 31 December 2014 pursuant to Rule 907 of the SGX-ST Listing Manual.

6. Use of Rights Issue and Private Placement Proceeds

In September 2013, Mermaid's total proceeds received from the Rights Issue of its shares was USD 126.37 million after deduction of issuing costs.

In October 2013, Mermaid's total proceeds received from the Private Placement of its shares was USD 12.78 million after deduction of issuing costs.

The total actual accumulative uses of Rights Issue and Private Placement proceeds as at 31 December 2014 was USD 101.50 million, or 72.94% of the Rights Issue and Private Placement proceeds and is summarised as follows:-

No.	Description	USD (Million)
1.	The repayment of short-term loans which was taken up for the subscription of additional shares in Asia Offshore Drilling Ltd.	35.00
2.	The deposit payment of the purchase of two tender rigs and one dive support vessel	66.50
	Total	101.50
	Balance of Net Proceeds	38.37

The use of proceeds is in accordance with the Company's intended use as stated in the Circular.

7. Difference in Registered Capital and Issued and Paid-Up Capital

As at 31 December 2014, the registered capital of Mermaid was Baht 1,416,700,697. This is represented by 1,416,700,697 ordinary shares with a par value of Baht 1 each. The issued and paid-up capital was Baht 1,413,328,857 represented by 1,413,328,857 ordinary shares with a par value of Baht 1 each.

The difference between registered capital and issued and paid-up capital is therefore Baht 3,371,840 ordinary shares represented by 3,371,840 ordinary shares with a par value of Baht 1 each. These registered but unissued ordinary shares were reserved for the allocation and exercise of share options under the Company's Employee Share Option Plan ("ESOPs"). As at 31 December 2014, only 631,049 of these registered but unissued ordinary shares remain reserved under the ESOPs. The balance of 2,740,791 registered but unissued ordinary shares cannot be applied for any other purpose and will therefore remain unallocated.

8. Retirement Schedule of Directors

The table below sets out the retirement dates of the Directors, pursuant to the Articles of Association of the Company.

No.	Name of Directors	Date of First Appointment	Date of Last Re-appointment	Date of Retirement
1	Mr. Prasert Bunsumpun	19 June 2012	27 January 2015	AGM 2015
2	Mr. Chalermchai Mahagitsiri	19 June 2012	27 January 2015	AGM 2015
3	Mr. Ng Cher Yan	19 June 2012	28 January 2014	AGM 2015 (2)**
4	Mr. Toh Wen Keong Joachim	26 June 2012	28 January 2014	AGM 2016
5	Mr. Chia Wan Huat Joseph	26 June 2012	27 January 2015	AGM 2015
6	Dr. Jean Paul Thevenin	28 January 2013	28 January 2013	AGM 2015 (2)**
7	Dr. Jan Jozef Skorupa	21 October 2013	28 January 2014	AGM 2015 (2)**

* Replacement Directors assume the commencement dates of the Directors they replaced.

** Due to the change of financial year end from 30 September to 31 December of each year, therefore an annual general meeting of shareholders to be held in January and April 2015 for financial year ended 30 September 2014 and for the financial period from 1 October to 31 December 2014 respectively.

9. Details of Employee Share Option Plan

Mermaid's first employee share option plan ("ESOP") was approved by Mermaid's shareholders on 11 July 2007 ("ESOP 2008"). Mermaid's second employee share option plan was approved by Mermaid's shareholders on 29 January 2009 ("ESOP 2009"). Mermaid's third employee share option plan was approved by Mermaid's shareholders on 28 January 2010 ("ESOP 2010"). Mermaid's fourth employee share option plan was approved by the Mermaid's shareholders on 25 January 2011 ("ESOP 2011"). The following is a summary of the principal rules of the ESOPs.

(a) Objectives of ESOPs

Mermaid recognises that the contributions and continued dedication of its executives and employees are significant to its future growth and development. The ESOPs were offered by Mermaid to advance the best interests of the Group by providing employees of the Group (including Executive Directors) with additional incentives through the grant of options ("Options") based on the performance of the Group.

The objectives of ESOP 2008, ESOP 2009, ESOP 2010 and ESOP 2011 are as follows: (a) to retain key personnel whose contributions are essential to the long-term growth and profitability of the Group; and (b) to align the interests of participants with the interests of the shareholders. To emphasize these objectives, Mermaid had extended the range of participants in ESOP 2010 and ESOP 2011 to include non-executive Directors of the Group.

The ESOPs are share incentive plans the implementation of which enabled Mermaid to recognise the contributions made by the participants by introducing a variable component into their remuneration package in the form of Options. The ESOPs also provided an opportunity for each participant to participate in the equity of Mermaid and will provide a further incentive for the participants to strive for greater long-term growth and profitability for the Group. Mermaid believes the ESOPs help to attract, motivate and retain key executives and reward them for achievement of pre-determined targets which create and enhance economic value for the shareholders.

(b) Summary of ESOPs

A summary of the rules of each of the ESOPs is set out below. Full details of ESOP 2008 were disclosed to shareholders in Appendix-C of Mermaid's Initial Public Offering ("IPO") prospectus dated 9 October 2007 and a summary of the principle terms of ESOP 2009, ESOP 2010 and ESOP 2011 were circulated to the shareholders on 9 January 2009, 6 January 2010 and 3 January 2011 respectively with full details available to shareholders upon request.

Plan administration: All ESOPs are administered by the Remuneration Committee ("Committee"), which have powers to determine, among others, the persons to be granted Options, number of Options to be granted, recommendations for modifications to ESOPs and calculation of the exercise price of the Options.

Option Participants: Employees of the Group (including Executive Directors) were eligible to participate in ESOP 2008 and ESOP 2009, at the absolute discretion of the Remuneration Committee. The non-Executive Directors of the Group, and persons who are controlling shareholders and their associates, were not eligible to participate in ESOP 2008 and ESOP 2009. In ESOP 2010 and ESOP 2011, non-Executive Directors of the Group were included as eligible participants.

Size of ESOPs: The aggregate number of new shares that were available to be granted under ESOP 2008 was limited to 3,832,053 shares or 1.0% of the then issued share capital of Mermaid. The aggregate number of new shares that were available to be granted under ESOP 2009 was limited to 3,000,000 shares or 0.55% of the then issued share capital of Mermaid. The aggregate number of new shares that were available to be granted under ESOP 2010 was limited to 4,000,000 shares or 0.51% of the increased issued share capital of Mermaid (after the Rights Issue). The aggregate number of new shares that were available to be granted under ESOP 2011 was also limited to 4,000,000 shares or 0.51% of the paid-up capital of Mermaid.

Maximum entitlements: The number of shares in any Options to be offered to a participant was determined at the absolute discretion of the Remuneration Committee, which took into account criteria such as performance of the employee.

Options, exercise period and exercise price: The exercise price for each share in respect of which an Option is exercisable was set at the price equal to the average of the “Market Price” at the date of each grant of Options, being the price equal to the weighted average price for the shares on SGX-ST fifteen (15) consecutive trading days immediately preceding the date of grant of the Options.

Options may be exercised every six (6) months commencing from the third anniversary from the date of grant of the Option and will expire on the fifth (5th) anniversary from the date of grant of the Options, upon which the Options shall expire automatically.

Grant of Options: Under the rules of the Thai Securities and Exchange Commission (“Thai SEC”), the Options must be granted within one (1) year from the approval date of each ESOP. The expiry dates for the grant of Options under all the ESOPs have already lapsed. Therefore no new Options can be granted under the said schemes.

Termination of Options: Special provisions in the rules of each ESOP deal with the lapse or earlier exercise of Options in circumstances which include the termination or resignation of the employment of the participant. Compared with ESOP 2008, ESOP 2009 and ESOP 2010 material amendments were made to ESOP 2011 regarding the circumstances wherein Options shall lapse. The rationale for these amendments was principally to limit the circumstances in which participants who subsequently cease or discontinue their service to the Company may exercise their Options post employment since the ESOPs are premised on encouraging participants to remain in the service of the Company.

Share Allotment: Shares which are allotted through exercise of Options will upon issue rank *pari passu* in all respects with the then existing issued shares, save for any dividend, rights, allotments or distributions, the record date (“Record Date”) for which falls on or before the relevant exercise date of the Option. “Record Date” means the date as at the close of business on which the shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions.

(c) Financial Effects of ESOPs

Share capital: ESOP 2008, ESOP 2009, ESOP 2010 and ESOP 2011 will result in an increase in Mermaid’s issued share capital when the Options are exercised into new shares and when new shares are issued to participants pursuant to the grant. This will in turn depend on, among others, the number of shares comprised in the Options to be granted, the vesting schedules under the Options and the prevailing market price of the shares on the SGX-ST.

Costs to the Company: Under Thai Generally Accepted Accounting Principles (“Thai GAAP”), the granting of Options under ESOP 2008, ESOP 2009, ESOP 2010 and ESOP 2011 did not result in having to recognise any expenses in the income statement for those relevant periods.

(d) Status of ESOP 2008

Allocation of Options pursuant to ESOP 2008 was made by the Remuneration Committee on 20 November 2008. In accordance with Rule 704(27) of the SGX-ST Listing Manual, Mermaid had on 20 November 2008 disclosed to the SGX-ST details of the grant of Options pursuant to ESOP 2008. On 20 November 2011, the Options granted under ESOP 2008 reached their third anniversary of the issue date and become exercisable by the participants pursuant to the principle terms of ESOP 2008. As at 31 December 2014, ESOP 2008 has been expired.

The Remuneration Committee who administered ESOP 2008 comprised: Mr. Ng Chee Keong, M.L. Chandchutha Chandratat, and Mr. Leslie George Merszei. The Chairman of the Remuneration Committee was Mr. Ng Chee Keong. Effective 24 November 2009, an adjustment was made pursuant to the terms of ESOP 2008 to the number of options granted under ESOP 2008 due to a variation to Mermaid's issued capital arising from the completion of Mermaid's renounceable underwritten rights issue ("Rights Issue"). The Remuneration Committee who approved the adjustments to ESOP 2008 arising from the Rights Issue comprised: Mr. Ng Chee Keong, Mr. Leslie George Merszei and Ms. Joey Horn. The Chairman of the Remuneration Committee was Mr. Ng Chee Keong.

None of the participants of ESOP 2008 received more than 5% or more of the total number of Options available under ESOP 2008 and no Options were granted at a discount. Furthermore, no controlling shareholders or their associates were granted Options under ESOP 2008 and no Options were granted to Mermaid's parent company or other subsidiaries of the parent company outside Mermaid, nor any of its or their Directors and employees.

Reference is made to the Directors of Mermaid that remained in office as at 31 December 2014. As at 31 December 2014, none of the said Directors are participants of ESOP 2008.

(e) Status of ESOP 2009

Allocation of Options pursuant to ESOP 2009 was made by the Remuneration Committee on 16 November 2009. In accordance with Rule 704(27) of the SGX-ST Listing Manual, Mermaid had on 16 November 2009 disclosed to the SGX-ST details of the grant of Options pursuant to ESOP 2009. On 16 November 2012, the Options granted under ESOP 2009 reached their third anniversary of the issue date and become exercisable by the participants pursuant to the principle terms of ESOP 2009. As at 31 December 2014, ESOP 2009 has been expired.

The Remuneration Committee who administered ESOP 2009 comprised: Mr. Ng Chee Keong, Mr. Leslie George Merszei and Ms. Joey Horn. The Chairman of the Remuneration Committee was Mr. Ng Chee Keong.

None of the participants of ESOP 2009 received more than 5% or more of the total number of Options available under ESOP 2009 and no Options were granted at a discount. Furthermore, no controlling shareholders or their associates were granted Options under ESOP 2009 and no Options were granted to Mermaid's parent company or other subsidiaries of the parent company outside Mermaid, nor any of its or their Directors and employees.

Reference is made to the Directors of Mermaid that remained in office on 31 December 2014. As at 31 December 2014, none of the said Directors are participants of ESOP 2009.

(f) Status of ESOP 2010

Allocation of Options pursuant to ESOP 2010 was made by the Remuneration Committee on 01 December 2010. In accordance with Rule 704(27) of the SGX-ST Listing Manual, Mermaid had on 1 December 2010 disclosed to the SGX-ST details of the grant of Options pursuant to ESOP 2010. ESOP 2010 will not be exercisable until 1 December 2013 being the third anniversary of the issue date. As at 31 December 2014, 315,525 of those Options remained exercisable amongst 10 participants.

The Remuneration Committee who administered ESOP 2010 comprised: Mr. Ng Chee Keong, Mr. Leslie George Merszei and Ms. Joey Horn. The Chairman of the Remuneration Committee was Mr. Ng Chee Keong.

None of the participants of ESOP 2010 received more than 5% or more of the total number of Options available under ESOP 2010 and no Options were granted at a discount. Furthermore, no controlling shareholders or their associates were granted Options under ESOP 2010 and no Options were granted to Mermaid's parent company or other subsidiaries of the parent company outside Mermaid, nor any of its or their Directors and employees.

Reference is made to the Directors of Mermaid that remained in office on 31 December 2014. As at 31 December 2014, none of the said Directors are participants of ESOP 2010.

(g) Status of ESOP 2011

Allocation of Options pursuant to ESOP 2011 was made by the Remuneration Committee on 15 December 2011. In accordance with Rule 704(27) of the SGX-ST Listing Manual, Mermaid had on 15 December 2011 disclosed to the SGX-ST details of the grant of Options pursuant to ESOP 2011. ESOP 2011 was exercisable on 15 December 2014, being the third anniversary of the issue date. As at 31 December 2014, 315,524 of those Options remained exercisable amongst 9 participants.

The Remuneration Committee who administered ESOP 2011 comprised: Mr. Ng Chee Keong, Mr. Leslie George Merszei and Mr. Robert Edward Bier. The Chairman of the Remuneration Committee was Mr. Ng Chee Keong.

None of the participants of ESOP 2011 received more than 5% or more of the total number of Options available under ESOP 2011 and no Options were granted at a discount. Furthermore, no controlling shareholders or their associates were granted options under ESOP 2011 and no Options were granted to Mermaid's parent company or other subsidiaries of the parent company outside Mermaid, nor any of its or their Directors and employees.

Reference is made to the Directors of Mermaid that remained in office on 31 December 2014. As at 31 December 2014, none of the said Directors are participants of ESOP 2011.

12 GENERAL DISCLOSURES

(h) Summary of ESOP Distributions

In early October 2013, Mermaid completed a capitalization exercise in the form of a non-renounceable non-underwritten rights issue and private placement of 627,798,180 rights shares. Accordingly, the total number of options granted pursuant to ESOP 2008, ESOP 2009, ESOP 2010 and ESOP 2011 have subsequently been adjusted to be as follows:

	ESOP 2008	ESOP 2009	ESOP 2010	ESOP 2011
Shares Allocated for Options	3,832,053	3,000,000	4,000,000	4,000,000
Options Issue Date	20 Nov 2008	16 Nov 2009	1 Dec 2010	15 Dec 2011
Total Options Issued	968,000	891,000	700,000	1,310,000
Original No. of Participants	18	21	25	33
Total Options Remaining*	-	-	315,525	315,524
No. of Participants Remaining*	-	-	10	9

(* as at 31 December 2014)

As at 31 December 2014, the number of 247,819 Options of ESOP 2011 have been exercised. The reduction in the number of exercisable Options remaining and reduction in number of participants remaining in each scheme was primarily due to cessation of employment or engagement of such participants. No new Options can be issued under any of the ESOPs. The Company does not have any ESOP in respect of 2014.

Mermaid Maritime Public Company Limited (the “Company” or “Mermaid”) continually strives to maintain high standards of corporate governance within the Company and its subsidiaries (the “Group”) and has adopted the principles and guidelines set out in the Singapore Code of Corporate Governance 2012 (the “Code”). Where there are deviations from the Code, appropriate explanations are provided.

Board Matters

The Board’s conduct of its affairs

Principle 1

The Board oversees and manages the Company’s business under the control of the resolutions of the shareholder’s meeting in good faith and due care for the best interest of the Company.

The key functions of the Board are:

1. responsible for overall management and strategic directions for the Group;
2. performing duties with knowledge, competence, transparency, due care and accountability for the Company and its shareholders;
3. bringing an expertise, capability and experience that are beneficial to the Company’s operation;
4. having a leadership skill, vision and independent decision-making ability to ensure the utmost benefit to the Company and the shareholders; and
5. meet on a quarterly basis to review and monitor the Company’s financial position, management performance and business operation.

The number of Board and Board committee meetings held during the financial period from 1 October 2014 to 31 December 2014, as well as the attendance of every Board member at these meetings, including participation through teleconference, are as follows.

Name	Type of Meetings					
	Board	Audit Com.	Rem. Com.	Nom. Com.	Exec. Com.	Risk Com.
Mr. Prasert Bunsumpun	2/2	-	-	-	3/3	-
Mr. Chalermchai Mahagitsiri	2/2	-	-	-	3/3	0/1
Mr. Chia Wan Huat Joseph	2/2	-	-	1/1	3/3	-
Mr. Ng Cher Yan	2/2	1/1	1/1	1/1	-	1/1
Mr. Toh Wen Keong Joachim	1/2	1/1	1/1	1/1	-	-
Dr. Jean Paul Thevenin	2/2	1/1	1/1	1/1	3/3	1/1
Dr. Jan Jozef Skorupa	2/2	-	1/1	1/1	-	-

Matters Requiring Board Approval

All acquisitions or investments, investments in securities and immovable assets, divestments, funding requests, borrowings and expenditures of Mermaid and its subsidiaries (collectively the "Group") with a value equal to or exceeding US Dollars 25 million shall require the approval of the Board. The Executive Committee has the authority to approve such transactions below this threshold, unless they are, due to their nature, deemed to be material, in which case Board approval will be required instead.

Board Orientation and Training

The Company conducts a comprehensive induction to new Directors. This orientation program is conducted by the management of the Company to ensure that they are familiar with the Company's business and governance practices. All Board members are encouraged to receive regular training, particularly on relevant new laws, regulations and changing commercial risks, from time to time, in order to familiar with compliance, essentials of the roles of director and a member of each committee in a listed company. The Company shall be responsible for the course fees.

Upon the appointment of new Director, the Company Secretary, apart from the induction, provides an official letter to clarify the terms of appointment, the Director's roles and the disclosures to the Company towards the conflict of interest and change of shareholdings interest including the Company's policies.

Board Composition and Guidance

Principle 2

Each year, the Nomination Committee reviews and determines periodically whether or not the Director is independent and procure that at least one-third (1/3) for the Board shall comprise of independent Directors (or such other minimum proportion and criteria as may be specified in the Code from time to time).

As at 31 December 2014, the Board comprises of seven (7) Directors including three (3) Independent Directors, two (2) Non-Executive Directors, and two (2) Executive Directors.

There are five (5) committees on the Board: the Audit Committee, the Nomination Committee, the Remuneration Committee, the Executive Committee and the Risk Management Committee. The Audit Committee, the Nomination Committee and the Remuneration Committee were all formed on 26 June 2007. The Executive Committee was formed on 26 June 2012. The Risk Management Committee was formed on 18 September 2013. Details of each Board Committee are as follows:

Audit Committee:

As at 31 December 2014, the Audit Committee comprises Non-Executive Directors, namely Mr. Ng Cher Yan, Mr. Toh Wen Keong Joachim and Dr. Jean Paul Thevenin. The Chairman of the Audit Committee was Mr. Ng Cher Yan. The majority of the Audit Committee members, including the Chairman are Independent Directors. The Audit Committee is responsible, among other things:

- a) to review the quarterly financial statements prior to approving or recommending their release to the Board, as applicable;
- b) to oversee the performance and effectiveness of the Group's risk management and internal financial and accounting controls, and management information systems;
- c) to oversee Compliance and Internal Audit Department;
- d) to oversee the integrity of financial statements and other disclosures;
- e) to review the qualification, independence and performance of the external auditors, non-audit services rendered by the external auditors on an annual basis; and
- f) to review Interested Persons Transactions ("IPT") and Related Party Transactions ("RPT").

The Audit Committee takes measures to keep abreast of changes in accounting standards and issues which have a direct impact on financial statements.

Remuneration Committee:

As at 31 December 2014, the Remuneration Committee comprises Non-Executive Directors, namely Mr. Ng Cher Yan, Mr. Toh Wen Keong Joachim, Dr. Jean-Paul Thevenin and Dr. Jan Jozef Skorupa. The Chairman of the Remuneration Committee was Mr. Ng Cher Yan. The majority of the Remuneration Committee members, including the Chairman are Independent Directors.

The Remuneration Committee is responsible, among other things:

- a) to recommend to the Board a framework of remuneration for the Directors and key executives of the Company;
- b) to determine performance-related elements of remuneration for the Board's consideration; and
- c) to administer the share award or bonus schemes, if any.

Nomination Committee:

As at 31 December 2014, the Nomination Committee comprises one (1) Executive Director, one (1) Non-Executive Director and three (3) Independent Directors, namely Mr. Toh Wen Keong Joachim, Mr. Ng Cher Yan, Mr. Chia Wan Huat Joseph, Dr. Jean Paul Thevenin and Dr. Jan Jozef Skorupa. The Chairman of the Nomination Committee was Mr. Toh Wen Keong Joachim.

The Nomination Committee is responsible, among other things:

- a) to review of board succession plans for Directors, in particular, the Chairman and the CEO;
- b) to identify or make recommendations to the Board on all candidates nominated for appointment to the Board;
- c) to review Board structure, size, composition, core competencies and performance from time to time;
- d) to review all candidates nominated for key positions in the Company; and
- e) to determine annually whether or not a Director is independent.

Executive Committee:

As at 31 December 2014, the Executive Committee members were Mr. Prasert Bunsumpun, Mr. Chalermchai Mahagitsiri, Mr. Chia Wan Huat Joseph, and Dr. Jean Paul Thevenin. The Chairman of the Executive Committee was Mr. Prasert Bunsumpun.

The Executive Committee is responsible, among other things to:

- a) approve transactions with a value of up to US Dollars 25 million;
- b) exercise powers of the Board to act upon any specific matters delegated by the Board from time to time;
- c) consider the Company's business plan and annual budget for recommendation to the Board; and
- d) consider the overall performance of the Company and provide recommendations to enhance performance.

Risk Management Committee:

As at 31 December 2014, the Risk Management Committee members were Dr. Jean Paul Thevenin, Mr. Ng Cher Yan, Mr. Chalermchai Mahagitsiri, and Mr. Katarat Suksawang. The Chairman of the Risk Committee was Dr. Jean Paul Thevenin.

The Risk Management Committee is responsible for overseeing risk management standards, practices, and systems, among other things, to:

- a) review and propose for approval from the Board on principles, policies, strategies, processes, and control frameworks for the management of key risks faced by the Company;
- b) review, consider and/or make recommendation to change the level of risk taken by the Group for approval from the Board;
- c) delegate its powers and discretions to executives of the Company with or without the authority to sub-delegate further; and
- d) regularly coordinate with the Audit Committee by sharing information about risks and internal control potentially affecting the Company's business.

Board Independence

The Independent Directors have confirmed that they do not have any relationship with the Company, its related companies, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment with a view to the best interests of the Company.

None of our Directors has served on our Board beyond nine years from the date of his first appointment.

Board composition and size

The Nomination Committee reviews the structure, size and composition of the Board and Board committees annually, including the skills and core competencies of its members to ensure an appropriate balance of skills and experience. The Nomination Committee is of the view that the Board is of the appropriate size and with the right mix of skills and experience given the nature and scope of the Group's operations. With majority of the Board comprising Non-Executive Directors and half of the Board are Independent Directors, there is a strong and independent element on the Board. This is to ensure that there is effective representation for shareholders and issues of strategy, performance and resources are fully disclosed and examined to take into account long-term interest of the shareholders, employees, customers, suppliers and the industry in which the Group conducts its business. The Board is able to exercise objective judgment independently from management and no small group of individuals dominates the decisions of the Board.

The profile of each Director and other relevant information are set out under "the Board of Directors" section of this Annual Report.

Meeting of Directors without Management

The Non-Executive Directors met regularly without the presence of Management.

Chairman and Chief Executive Officer

Principle 3

There is a clear separation of responsibilities between the Chairman and Chief Executive Officer ("CEO") to ensure an appropriate balance of power, and increased accountability and greater capacity of the Board for independent decision making.

The Executive Chairman and the CEO of Mermaid are not related to each other. The role of the Chairman includes:

- a) leading the Board to ensure its effectiveness on all aspects of its role;
- b) setting the agenda and ensuring adequate time is available for discussion of all agenda items, in particular strategic issues;
- c) promoting a culture of openness and debate at the Board;
- d) ensuring that the Directors receive complete, adequate and timely information;
- e) ensuring effective communication with shareholders;
- f) encouraging constructive relations within the Board and between the Board and Management;
- g) facilitating the effective contributions of Non-Executive Directors; and
- h) promoting high standards of corporate governance.

The CEO has full executive responsibilities over the business direction and operations of the Group, and is responsible for the executive of the Board's adopted strategies and policies.

Board Membership

Principle 4

The Nomination Committee reviews and assesses candidates for directorships before making recommendations to the Board. It also reviews the retirement and re-election of Directors at each annual general meeting under Mermaid's Article of Association and makes recommendations to the Board.

The Nomination Committee considers that the multiple Board representation held presently by the Directors do not impede their performance in carrying out their duties to the Company. The Nomination Committee has ascertained that for the period under review, the Directors have devoted sufficient time and attention to the Company's affairs.

The Nomination Committee has conducted an annual review of Directors' independence based on the Code's criteria for independence and is of the view that Mr. Ng Cher Yan, Mr. Toh Wen Keong Joachim and Dr. Jan Jozef Skorupa are independent. The Nomination Committee has conducted a formal assessment of the Board's performance as a whole for the financial year 2014.

In the selection and nomination for new Directors, the Nomination Committee taps on the Directors' resources to ensure the potential candidates possess relevant experience and have the caliber to contribute to the Company and its business, having regard to the attributes of the existing Board and the requirements of the Company. The potential candidates will go through a shortlisting process and thereafter, set up the interviews with the shortlisted candidates. Executive recruitment agencies may also be appointed to assist in the search process where necessary. As recommended by the Nomination Committee, a new Director can be appointed by way of Board resolution.

There is no alternate director on the Board.

Board Performance

Principle 5

On the initiative of the Nomination Committee and in line with past practice, each Director will, on an annual basis, undertake a self-assessment exercise of the performance of the Board as a whole and of himself/herself taking into relevant consideration the roles and responsibilities of Directors pursuant to the Code and the results of the business operations. The results of the self-assessment exercise will be reported to and discussed by the Board and areas for improvement will be noted by the Board and recorded in the minutes.

Based on the reviews by the Nomination Committee, the Board is of the view that the Board and its Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board.

Access to Information

Principle 6

The Board is provided complete, adequate and timely information prior to the Board Meetings. Board meeting agenda and papers are prepared by the management and circulated to the Board in advance by the Company Secretary on an on-going basis.

The Directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for supporting the corporate secretarial functions to the Board to ensure the board procedures are followed. He also provides guidance to the Board in relation to the compliance of regulatory requirements to the Company.

The Company Secretary was appointed by the Board of Directors on 13 August 2008. The appointment and removal of Company Secretary should be a matter for the Board as a whole.

With the approval of the Chairman, Director may seek independent professional advice, at the Company's expense, on any matter connected with the discharge of his/her responsibilities as a Director. Copies of this advice must be made available to, and for the benefit of, all Board members, unless the Chairman otherwise agrees.

Procedure for Developing Remuneration Policies

Principle 7

The Remuneration Committee reviews matters concerning the remuneration of Board members and key executives. Level and mix of remuneration are further detailed below.

The Remuneration Committee has full authority to engage any external professional advice on matters relating to the remuneration as and when the need arises and expenses of such advice shall be borne by the Company. Where such external professional is appointed, the Company shall disclose the names and firms of the remuneration consultants herein, and include a statement on whether the remuneration consultants have any relationships with the Company that will affect the independence and objectivity of the remuneration consultants.

Level and Mix of Remuneration

Principle 8

The Remuneration Committee establishes a formal and transparent procedure for developing policy on executive remuneration and the remuneration packages of individual directors of the Company, provided that no director shall be involved in deciding his own remuneration.

The Remuneration Committee shall recommend the framework and propose specific remuneration package to the Board.

The Group's remuneration policy is to provide remuneration packages which will reward performance and attract, retain and motivate Directors and key executives to run the Group successfully. In setting the remuneration packages, the RC takes into consideration the pay and employment conditions within the same industry and in comparable companies, the Group's and the individual's performance.

The Non-Executive Director and Independent Directors do not have service agreements with the Company. They are paid Directors' fees, which are determined by the Board, appropriate to the level of their contribution, taking into account factors such as the responsibilities, effort and time spent for serving the Board and Board Committees. The Non-Executive Director and Independent Directors do not receive any other remuneration from the Company. Directors' fees are tabled annually for shareholders' approval at the Annual General Meeting.

The Company does not use contractual provisions to allow the Group to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

Disclosure of Remuneration

Principle 9

The name and remuneration of each person who is/was a Director of the Company during the financial period from 1 October 2014 to 31 December 2014 shown in bands below.

Name	Below SGD 100,000	SGD 100,000 to SGD 200,000	SGD 200,000 to SGD 300,000
Mr. Prasert Bunsumpun	•	-	-
Mr. Chalermchai Mahagitsiri	-	-	•
Mr. Chia Wan Huat Joseph	-	•	-
Dr. Jean Paul Thevenin	•	-	-
Mr. Ng Cher Yan	•	-	-
Mr. Toh Wen Keong Joachim	•	-	-
Dr. Jan Jozef Skorupa	•	-	-

Directors who receive remuneration as executive of the Company includes Mr. Chalermchai Mahagitsiri in his capacity as Executive Vice Chairman and CEO, and Mr. Chia Wan Huat Joseph who served as Executive Director effective since 21 October 2013.

Breakdown (in percentage terms) of each Director's remuneration earned through (1) Directors' fees, (2) base/fixed salary, (3) variable or performance-related income/bonuses, (4) benefits in kind, and (5) stock options granted and other long-term incentives.

Name	(1)	(2)	(3)	(4)	(5)
Mr. Prasert Bunsumpun	100%	-	-	-	-
Mr. Chalermchai Mahagitsiri	-	53%	43%	4%	-
Mr. Chia Wan Huat Joseph	-	51%	43%	6%	-
Dr. Jean-Paul Thevenin	100%	-	-	-	-
Mr. Ng Cher Yan	100%	-	-	-	-
Mr. Toh Wen Keong Joachim	100%	-	-	-	-
Dr. Jan Jozef Skorupa	100%	-	-	-	-

The names and remuneration of the key executives (who are not also Directors) in bands of SGD 250,000.

Key Executives	Below SGD 250,000	SGD 250,000 to SGD 500,000
Mr. Chalermchai Mahagitsiri	•	-
Mr. Paul Whiley	-	•
Mr. Neil Howie	•	-
Mr. Peter Reichlmeier	•	-
Mr. Katarat Suksawang	•	-
Mr. Jeffery Allen Breal	•	-

Breakdown (in percentage terms) of each key executive's remuneration earned through (1) base/fixed salary, (2) variable or performance-related income/bonuses, (3) benefits in kind, and (4) stock options granted and other long-term incentives.

Key Executives	[1]	[2]	[3]	[4]
Mr. Chalermchai Mahagitsiri	53%	43%	4%	-
Mr. Paul Whiley	52%	42%	6%	-
Mr. Neil Howie	46%	38%	16%	-
Mr. Peter Reichlmeier	48%	35%	17%	-
Mr. Katarat Suksawang	63%	31%	6%	-
Mr. Jeffery Allen Breal	88%	-	12%	-

Remuneration of employees who are immediate family members of a Director or the Chief Executive Officer of the Company, and whose remuneration exceeds SGD 50,000 during the year.

Not applicable. There are no employees who are immediate family members of a Director or the CEO (Managing Director) of Mermaid.

Employee Share Option Plan

The Employee Share Option Plan is administered by the Remuneration. The Employee Share Option Plan is to reward, retain and motivate employees of the Group who excel in their performance and encourages greater dedication, loyalty and higher standards of performance. More details of the Employee Share Option Plan are provided in the General Disclosures.

Accountability

Principle 10

The Board is accountable for providing a balanced and understandable assessment of the Company's performance. The Company releases quarterly and full year financial results via SGXNet on a timely basis. Financial report and business updates are provided to the Executive Committee members on a monthly basis in order to review and assess the operation's performance. The Executive Committee provides the updated report to the Board on a regular basis.

Risk Management and Internal Controls

Principle 11

The Board recognizes the importance of sound internal controls and risk management practices to good corporate governance.

The Compliance and Internal Audit Department is independent of management and has a direct and primary reporting line to the Chairman of the Audit Committee. The Compliance and Internal Audit Director assists the Audit Committee in the discharge of its duties and responsibilities by being responsible for all regulatory compliances, internal audits, corporate governance matters, and risk management systems of the Company. The Company Secretary assists in overseeing compliances with all law and regulations concerning public companies.

In line with the commitment of a high standard of compliance with accounting, financial reporting, internal controls, corporate governance and auditing requirements and any legislation relating thereto, the Company has a Code of Business Conduct applicable to Company personnel covering a wide range of business practices and procedures. This includes, but is not limited to, compliance with laws, rules and regulations, conflicts of interests, insider trading, corporate opportunities, competition and fair dealing, discrimination and harassment, health and safety, environmental matters, record-keeping, financial controls and disclosures, confidentiality, protection and proper use of company assets, financial reporting and compliance.

On 18 September 2013, the Board has established a Risk Management Committee to oversee risk management standards, practices, and systems.

The Company also has a Share-Dealing and Inside Information Policy to ensure proper access and use of Company information. The said policy sets out a prohibition on dealing in Company shares on short term considerations, prohibition on dealing in Company shares prior to release of financial results, prohibition on dealing in Company shares when in possession of inside information, prohibition on giving advice in respect of dealing in Company shares using inside information and general obligations to observe confidentiality.

The Company has also set in place a Whistleblowing Policy, providing an avenue for its employees and external parties to raise concerns and offer reassurance that they will be protected from reprisals or victimization for whistleblowing in good faith. The Policy conforms to the guidance set out in the Code which encourages employees to raise concerns, in confidence, about possible irregularities.

The Audit Committee has been working with the Compliance and Internal Audit Department to continuously improve Mermaid's internal control systems and provides progress reports to the Board on a quarterly basis.

The Risk Management Committee reviews the effectiveness of the Enterprise Risk Management system within the Group and evaluate the adequacy and effectiveness of administrative, operating, and accounting controls used by the Group.

Based on the internal controls established and maintained by the Company, the independent audits performed by the internal and external auditors and the assurance from the CEO, the CFO, and relevant management, the Board, with the concurrence of the Audit Committee, is of the opinion that the Company has in place adequate and effective internal controls addressing in all material respects the financial, operational, compliance and information technology controls, and risk management systems within the current scope of the Company's business operations.

The system of internal controls which has been put in place throughout the financial period for the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives.

The Board has received assurances from the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances. The Board has also received assurance from the CEO and CFO that the risk management and internal control systems of the Company is adequate and effective to deal with major risks relating to financial, operational and compliance aspects.

Based on the internal controls established and maintained by the Company, work performance by the internal and external auditors, and reviews performance by the Management, the Audit Committee and the Board are of the opinion that the Company's internal controls, addressing financial, operational, compliance and information technology controls, and risk management systems were adequate and effective as at 31 December 2014.

Audit Committee

Principle 12

As at 31 December 2014, the Audit Committee held one (1) meeting. The management of Mermaid, including the CEO, Financial Director, Senior Finance and Accounting Manager, General Counsel, and concerned Managers also participated in those meetings when invited. Mermaid's external auditors from KPMG Phoomchai Audit Limited also participated in the meetings to review Mermaid's financial statements and reports with the Audit Committee and management during the financial year. Mermaid's Internal Audit Director and Manager attended the meetings to review the internal audit activities and results with the Audit Committee during the financial year. The meeting agenda and minutes were prepared.

The Audit Committee carried out its functions as stated in the Audit Committee's scope of responsibilities as set out in Principle 2 above.

Apart from the above functions, the Audit Committee shall commission and review the findings of internal investigations and/or review and discuss with the external auditors any matters where there is suspicion of fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation, which has or is likely to have a material impact on operating results and/or financial position. The Audit Committee will also ensure that the appropriate follow-up actions are taken. In the event that a member of the Audit Committee is interested in any matter being considered by the Audit Committee he will abstain from reviewing that particular transaction or voting on that particular resolution.

The Audit Committee meets with the external and internal auditors, in each case, without the presence of management, on a quarterly basis.

Internal Audit

Principle 13

The Company resources its own internal audit. Internal audit function is adequately resourced and has appropriate standing within the company. Internal audit function is staffed with persons with the relevant qualifications and experience.

Internal audit function is independent and report audit matters primarily to the Audit Committee.

The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organization's governance, risk management, and internal process as well as the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives. The internal audit activities are governed itself by adherence to The Institute of Internal Auditors ("IIA") mandatory guidance.

The internal audit reports for non-compliance and internal control weaknesses which include management's response and corrective action taken or to be taken in regard to the specific findings and recommendations are reported to the Audit Committee through periodic activity reports.

To ensure the adequacy and effectiveness of the internal audit function, the Audit Committee reviews the internal auditor's scope of work at least annually.

Shareholder Rights

Principle 14

The Company continues the disclosure obligations pursuant to the SGX-ST Listing Manual to provide the adequate and timely information of all major developments to the shareholders. The Company provides information to the shareholders through SGXNet, Annual Reports and Notice of Annual General Meeting of Shareholders.

At the general meeting, the shareholders have the opportunity to participate and vote on the resolutions. A notice, agenda, voting procedures and papers shall be sent to the shareholders as well as releasing on the SGXNet prior to the meetings. Proxy can be given by the shareholders to attend the meeting.

Communication with Shareholders

Principle 15

In addition to the continuous announcements made through SGXNet and a corporate website, each year the Company organizes the Shareholders Forum in Singapore. At this event, the shareholders (including the Depositors), particularly those based in Singapore, would be given the opportunity to meet with the Board members and top executives of the Company.

Dividend

Upon the recommendation by the Board of Directors, and subject to the approval by a general meeting of shareholders, the expected amount and key dates for dividends to be declared, via SGXNet Announcements.

On 27 November 2013, the Board of Mermaid declared a final dividend of USD0.86 cents per share for the financial year ended 30 September 2013. The dividend was paid on 21 February 2014 upon the approval from the Annual General Meeting of Shareholders 2014.

On 26 November 2014, the Board of Mermaid proposed a final dividend of USD0.47 cents per share for the financial year ended 30 September 2014, and upon the approval of the Annual General Meeting of Shareholders No. 01/2015, the dividend to be paid on 23 February 2015.

Conduct of Shareholder Meetings

Principle 16

The Annual General Meeting ("AGM") is the principal forum for dialogue and interaction with all shareholders. All shareholders will receive the notice of AGM, which is also advertised on the newspapers and issued via SGXNet. The Board welcomes questions and comments relating to the Group's business or performance from shareholders at AGMs. Shareholders are given the opportunity to air their views and direct questions to the Board on matters affecting the Group.

The Company does not practise bundling of resolutions at general meetings. Each item of special business included in the notice of the general meetings is accompanied, where appropriate, by an explanation for the proposed resolution. All Directors, including the chairman of the Board Committees, and senior management, are present at all general meetings to address shareholders' queries. External auditors will also be present at such meeting to assist the Directors to address any relevant queries from the shareholders, if necessary.

The Company prepares minutes of all general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management. These minutes will be available to shareholders upon their request.

The Company has implemented the system by voting by poll at its AGM. Results of each resolution put to vote at the AGM are announced with details of percentage in favour and against. Shareholders are allowed to appoint a proxy to attend and vote in his/her stead.

On 31 July 2013, SGX introduced new listing rules of the Listing Manual regarding the requirement of holding of general meetings in Singapore, namely, Rule 730A of Practice Note 7.5. Rule 730A(1) and Practice Note 7.5 require (unless exempted by the SGX) an issuer with a primary listing on the SGX to hold its general meetings in Singapore unless there are legal constraints preventing them from doing so, and such issuer should provide alternative modes of engagement such as webcast and information meetings so that public shareholders have access to the board and senior management.

On 23 May 2014, Mermaid announced that it had consulted with SGX on this matter, and SGX advised that Rule 730A(1) of the Listing Manual is not applicable to Mermaid. Consequently, Mermaid will continue to hold its general meeting in Thailand in compliance with the Company's Articles of Association and the Thai Public Limited Companies Act B.E. 2535 (A.D.1992). For the purpose of paragraph 2.4 of Practice Note 7.5, SGX advised that it has no objection to Mermaid not providing video conference and webcast facility to enable Singapore-based shareholders to follow the proceedings during its shareholder meetings in view of the legal impediments under Thai law. Mermaid will continue to hold shareholders' forum in Singapore.

Mermaid Maritime Public Company Limited (“the Company” or “Mermaid”) regularly review and enhance the robust risk management system to ensure the interests of the Company and stakeholders are protected.

Embedded Risk Management

Mermaid Enterprise Risk Management (“ERM”) framework provides a holistic and systematic process for identifying, analyzing and managing risks. It prepares the Company to respond to uncertainties and leverage new business opportunities to maintain our competitive edge.

The Risk Management Committee (“RMC”) assists the Board of Directors to drive risk governance in Mermaid and its subsidiaries (“Mermaid Group” or “the Group”) and communicate an appropriate tone from the top to all levels of the Group. This entails overseeing the design, implementation and monitoring of the Group’s risk management and internal control systems as well as assessing the adequacy and effectiveness of these systems which cover strategic, operational (including IT), financial and compliance risks. The RMC engages in regular reviews and discussions with management at the committee meetings, covering the Group’s top risks and treatment plans, projects and health, safety, security and environment risks among others.

Mermaid management is responsible for identifying, assessing, managing, monitoring and reporting the key risks faced by the Group to the RMC.

Proactive Risk Management

Mermaid Group is active in some of the most remote places around the world brings the Group to the doorsteps of our customers and their markets. Through proactive risk management, the Group are able to effectively navigate the challenging business environment and capitalise on opportunities. Significant risks associated with value drivers to achieve corporate strategies are identified and reviewed regularly. Mitigating actions are then established and closely monitored.

All investment proposals include an assessment of key risk factors such as alignment with strategic objectives, operational controls, financial viability, potential contingent liabilities, specific country laws and regulations, technical competency and available resources.

MANAGEMENT

Risk management policies and risk appetite limits are subjected to periodic reviews to ensure that they continue to support business objectives, address business risks effectively and take into consideration the prevailing operating environment within the Group.

Mermaid Group manages different types of risks which include intense competition, volatile market demand, relevance of technology, capital investment, challenging contractual terms, counterparty default, changes in laws and regulations, shortage of skilled workers and succession planning. The Group also take into account project execution issues like cost escalation, non-performance of suppliers and subcontractors, disruptions to supply chain and natural disasters, among others which have implications on project schedule, cost and quality.

Key Risks and Mitigation Strategies

The Group's key risks were identified as part of a risk assessment exercise. These are some factors that were considered in developing the Group's top risks profile.

Strategic Risks

Strategic risk considerations impact the Group's strategies and plan to grow its business and operations in its operation countries. They typically encompass business environment, customers, markets, industries, competition, technology and new business initiatives.

Risk assessment is an integral part of the strategic decision-making process at all levels of the Group. Discussions were held at annual strategic planning meeting which all Head of Business Units were presented in the meeting and risk factors were escalated to the RMC meeting and the Board of Directors meeting.

External Environment Risks

Key risks in this category include commodity market volatilities, global trade and economy, stability of the global financial systems, foreign exchange fluctuations, political risks, regulatory landscape and natural disasters.

Through the risk management process, the Group continuously monitors the business environment and assesses the relevant activities and their possible impacts on the organization. Environmental scanning is an ongoing process by management which identified potential and emerging risk exposures resulting from events and developments in the regions which the Group operates in.

Recognizing that external environment risks are inherently volatile, unpredictable and usually cannot be completely eliminated, the Group adopts the approach of mitigating them to as low as reasonably practicable with due consideration given to achieving appropriate risk-reward balances.

Depending on the market price of oil and gas, the Group predominantly services the production side of offshore oil and gas activity in shallow water zones thus providing a platform of greater stability to oil and gas price fluctuations compared to exploration side activity and deepwater zones. The Group has also focused on longer-term contracts in order to secure greater assurance of revenue stream over time. The Group's geographical diversification out of South East Asia to the Middle East and the North Sea allows the Group to reduce exposure to seasonal fluctuations.

Another approach is the regularly review of all applicable laws and regulations of its operating country. This is done to ensure that operational and compliance activities were aligned with the latest versions throughout the Group.

Project Management Risks

Many of projects are spread over an extended period of time. The Group adopt a standardised risk assessment and monitoring process, to help manage the spectrum of key risks throughout the project stages.

During the pre-contract stage, the project evaluation team, comprising members from different functions, identifies and evaluates key risks concerning the market, customers, engineering expertise and challenges, contractual terms, cost estimation, resource availability and other specific project structure and conditions. Mitigating actions are identified to address these potential risks.

At the execution stage, key risk areas involving costing, scheduling, planning, engineering, procurement, quality control, health, safety and environment ("HSE") management are closely monitored to ensure that pre-emptive measures are taken and appropriately implemented. The aim is to ensure that projects are executed and completed on time, within budget, with standards of safety and quality that meet or exceed contractual specifications.

In addition, the Group adopts mutual hold harmless provisions when contracting with customers in order to mitigate the effect of any liability to customers and/or third parties. Where liability for customer and/or third party property or personnel is undertaken, the Group takes initiatives to impose caps on liability. The Group also maintains insurance for hull and machinery, protection and indemnity, commercial general liability and workers compensation to adequate levels to reduce the financial impact of any adverse incidents.

Human Resource Risks

The Group believes that employees are valuable assets that enable the achievement of its objectives and strategies. The Group's offshore services business requires highly skilled personnel to operate its drilling rigs and subsea vessels. Key risks identified include availability of skilled labour, staff turnover, management succession, work-life balance as well as compensation and benefits. Measures have been put in place to address the risks.

The Group has been able to retain its key operations management teams. Furthermore, the Group offers a competitive compensation structure to attract and maintain selected talent to its rank and file. The Group's exemplary safety record and family approach to its work culture has contributed to making the Group a choice employer for many.

Financial Risks

The Group's wide range and scale of core businesses and supporting activities expose it to various financial counterparties and risks which are intrinsically linked to the global financial market.

All of the Group's revenues are paid in US Dollars. Most of the Group's expenditures are in US Dollars thereby providing a natural currency hedge. As a result, the exposure to currency fluctuations and exchange rate risks arising from commitments in non-US Dollar currencies is generally not material. In the event that there are any material transactions in non-US Dollar currency from time to time, the Group considers exchange rate movements and may initiate forward contracts to mitigate against such exchange rate risks, as appropriate.

The Group regularly reviews its loan covenants before entering into loan commitments to ensure financial flexibility is maintained. The Group regularly reviews its financing commitments from time to time to consider if refinancing opportunities exist to secure more competitive financing terms. The Group is also able to leverage on relationships with local and regional financial institutions that can provide competitive credit vis-a-vis the international credit market.

MANAGEMENT

Health, Safety, Security and Environment Risks

The Group emphasises and places great importance on providing a safe and healthy work environment for its customers, employees, contractors and the community. This is achieved through training and enforcement of safety standards at the work sites. The Group implements a Zero Incident Program and other safety-related programs and conducts safety related training and audits on a regular basis.

Investment Risks

Some of the ways in which the Group grows its business are through acquisition of business entities or operating assets, development of new capacities and expansion of its existing capabilities, facilities and activities. Investment activities, starting from the identification of targets to due diligence exercises including risk assessment, are supported by a team of experienced managers and complemented by external professionals for specialised services. Investment proposals are risk assessed and evaluated by senior management before deliberations by the Board of Directors.

Sustaining a strong risk-culture

Mermaid's risk management process is integrated into the day-to-day business operations to enable early risk detection and formulate prompt mitigating actions. To heighten risk awareness and build risk competencies, the Group emphasises continuous education and communications.

Throughout the year, Mermaid's Risk Management Team conducts ERM introduction training and risk management workshops for key operating units in Thailand and overseas. These workshops served as good platforms for the promulgation of risk management process and in reinforcing ERM efforts throughout the Group.

Continuous Improvement

Mermaid Group continues to review and refine its risk management processes so as to have reasonable assurance that we have sufficient resilience to face potential risks and threats.

Risk management is an integral part of the strategic, project and operational decision-making process at all levels of the Group. While the Group do the best to minimise risks, the Group recognise that risks can never be entirely eliminated, especially in an evolving landscape of uncertainties and vulnerabilities. Moreover, the cost of minimising these risks may also outweigh potential benefits. A robust and effective risk management process will strengthen the Group's operational resilience and equip us to respond to challenges and capitalise on growth opportunities.

The market fundamentals undoubtedly would be negative for the industry at large, though our strategic positioning particularly supported by our strong Middle East presence put us in a better operational position to weather the downturn.

The New, Substantially Lower Oil Price Reality

The downward oil price, which began the latter half of 2014 driving Brent oil price down to less than US\$60/bbl in December 2014, represented more than 40% decline from the peak in 2014. The market which was initially challenged by the pace of supply additions is now also dealing with a significant reduction in demand. This situation is further compounded by the intention of Organization of Petroleum Exporting Countries ("OPEC") focusing on market share rather than price ability. The decision by the OPEC to not cut oil production exacerbated the problem of abundant supplies in the markets, resulting in further oil prices erosion.

In fact, the International Energy Agency ("IEA"), in its latest report, now only forecasts global oil demand to increase by 900,000 bpd in 2015, a substantial cut from previous estimates back in 2014 on lower demand expectation for Russia and other oil exporting countries. While oil prices may strengthen over time, near-term price recovery is expected to be muted given the weak global backdrop.

Exploration and Production Spending Set to Decline in 2015

Hurt by falling revenue, many oil producers, including International Oil Companies ("IOC") and National Oil Companies ("NOC"), have reduced their capital expenditure ("capex") or operating expenditure ("opex"), which have in turn impacted the rest of the petroleum industry.

While not all firms felt the full impact of lower oil price simultaneously – those operating in the oil production segment are mostly continuing business as usual, while those involved in exploration segment have been hit by cutbacks in operations. It is however only a matter of time before cost reduction becomes more widespread.

15 INDUSTRY OVERVIEW

Globally, Exploration & Production (“E&P”) spending is expected to decline by 5%, with the Middle East and Africa the only regions still expected to grow their spending. Back in 1986 and 1999, the industry capex was cut by a significant 33% and 23% respectively though this time around, it is unlikely to be this large, given the strong forward coverage and deepwater developments predominantly in Brazil. Still, there could be downside risk as oil companies adopt a ‘Wait and See’ stance after been ‘shocked’ by the much lower oil price environment. Certainly, the absence of a near-term turnaround for oil price at the difficulties for seeking project approvals and thus expenditures.

Global Capital Expenditure Cuts Expected

	Announced 2015 Capex vs. 2014	Production Guidance vs. 2014 Actual
Occidental Petroleum	-33%	6-10%
Conocophillip Co	-32%	2-3%
BG Group	-25%	7-14%
Royal Dutch Shell	-16%	“lower due to asset sales, licence expires”
Hess Corporation	-15%	6-9%
Chevron	-13%	0-3%
BP	-13%	“underlying production flat”
Exxon Mobil	“disciplined cash use”	N/A
Anadarko Petroleum	“significant reduction”	N/A
Statoil ASA	-10%	2%
Total	-13%	>8%

Source: Bloomberg (March 6, 2015)

Worldwide E&P Spending, 2014-2015 (USD billions)

	2014E	2015E	% Change
North America	224.7	199.9	-11.0%
Middle East	39.5	45.6	15.4%
Latin America	69.9	67.4	-3.5%
Russia	46.9	45.4	-3.3%
Europe	39.9	37.8	-5.4%
India, Asia & Australia	100.2	97.5	-2.7%
Majors (International Spending)	96.6	92.1	-4.7%
Africa	24.1	25.5	6%
North America Independents (International Spending)	53.4	49.8	-6.8%
Other	34.1	33.1	-2.9%
Worldwide Spending	729.2	693.9	-4.8%

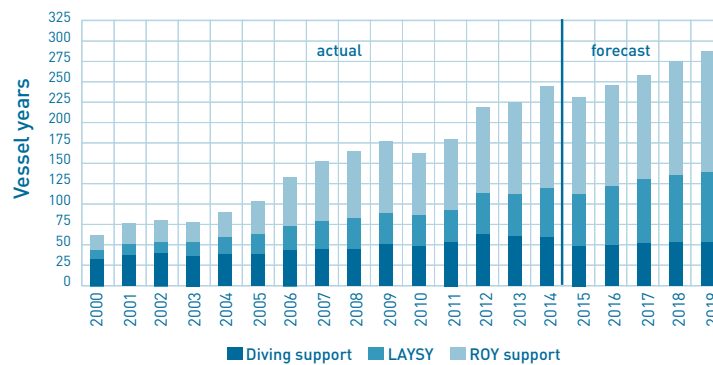
Source: Rigzone

Utilisation and Day Rates under pressure

A desire by oil companies to reduce capital expenditures will curtail drilling budgets for at least in 2015. This poses major challenge to the number of offshore newbuilds entering the market next 12-24 months, where the oversupply situation across the industry will also put a lid on utilization rates.

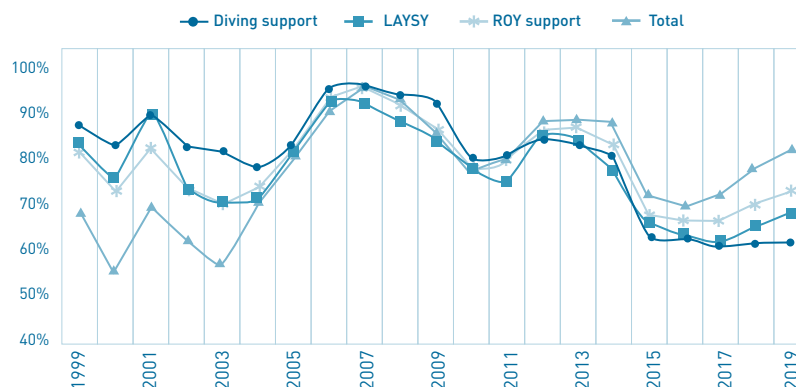
In the subsea market, there will be significant new supply entering service between now and 2017 (mostly in 2016 and 2017), and this will expand global fleet to 450 vessels, almost four times of the fleet 15 years ago. While we expect some will be delayed or cancelled given the deteriorating market outlook, and tougher credit markets, still, the subsea market is expected to be in oversupply situation near-term. Some of the older and less capable units may also find it tougher to find work especially given deep water and North Sea preference for newer vessels. We note that some 1/5 of the subsea vessel fleet is over 20 years old.

Subsea Annual Demand, 2000 – 2019E



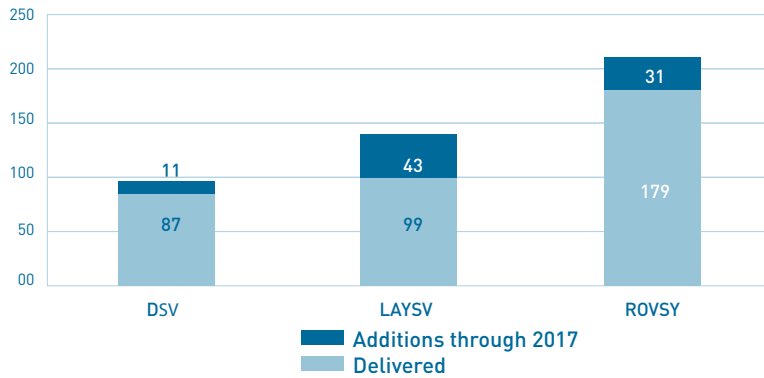
Source: Strategic Offshore Research

Global Vessel Utilisation Rate, 1999 – 2019E



Source: Strategic Offshore Research

Next Three Years Newbuilds Additions



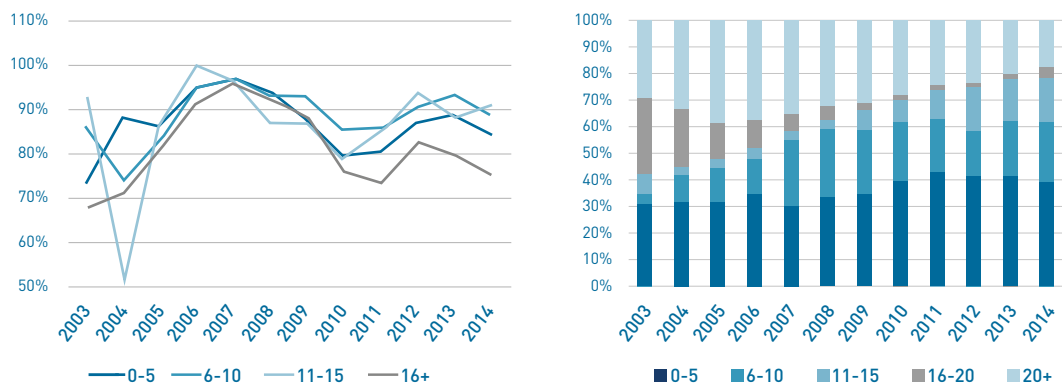
Source: Strategic Offshore Research

New Builds Planned Delivery Schedule vs Type of Owners

	2014	2015	2016+	Total
Non-speculative	12	12	25	49
Contractor	7	9	11	27
Contractor & Oil Company	4	2	13	19
Oil Company	1	1	1	3
Speculative	24	29	19	72
Total	36	41	44	121

Source: Strategic Offshore Research

Vessel Utilisation Rate and Industry Demand by Age Class

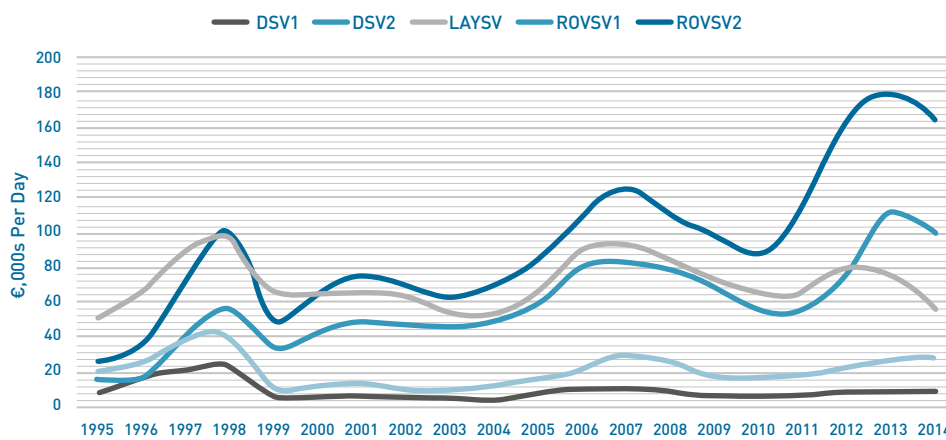


Source: Strategic Offshore Research

On tender rigs, there are currently 25 available units globally with 15 on contract, these are mostly newer rigs and two thirds of them are located in Southeast Asia. 10 of the 25 rigs are either stacked or waiting for next contract, and they tend to be older rigs. Given the relatively fewer new tender rigs under construction, the outlook for the tender rigs segment is less threatening.

With fewer newbuilds and the fact that global tender rigs are aging with almost half above 30 years old, the outlook for our two state-of-the-art tender rigs currently under construction is slightly better. However rates will still be challenging.

Day Rates of North Sea Class Vessels



Source: Strategic Offshore Research

Mermaid recorded a satisfactory result in 5Q2014, despite a challenging operating environment brought about by sharp decrease in oil price witnessed in the period.

Operations Review

The Group reported service incomes of USD98.9 million in 5Q2014, driven by strong growth in subsea services activities. The highest revenue contribution came from subsea services at 95% of total revenue followed by offshore drilling services at 5%. On the 12-month basis, service income for the group grew 9% to USD328.1 million in 2014 from USD300.4 million in 2013 backed by subsea services and offshore drilling services, which accounted for 93% and 7% of total service income respectively.

Subsea Services Performance Review

Service income

Subsea services segment witnessed the highest revenue growth of 26% year-on-year (“yoy”) from USD74.9 million in the same period last year to USD94.7 million in 5Q2014. On 12-month basis, subsea services segment also recorded an increase in revenues from USD275.1 million in 2013 to USD304.9 million in 2014.

The following tables provide summary of fleet Utilisation, showing both total and breakdown into own vessels and charter-in vessels:

Fleet Utilisation - Total

Fleet Utilisation - Total	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	CY 2014	5Q2014 (Oct-Dec)
Calendar-Vessel-Days	2,404	2,555	3,142	3,217	3,292	3,469	828
Planned Off-Hire-Days	95	94	294	193	114	122	52
Available Days	2,309	2,461	2,850	3,024	3,178	3,347	776
Operation Days	913	1,702	1,955	2,133	2,312	1,125	426
Fleet Utilisation	39.54%	69.14%	68.60%	70.53%	72.75%	63.49%	54.90%

Note: FY refers to October - September period, CY refers to January - December period

16 OPERATIONS REVIEW

Fleet Utilisation – Own vessels

Fleet Utilisation - Own	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	CY 2014	5Q2014 (Oct-Dec)
Calendar-Vessel-Days	2,312	2,555	2,928	2,899	2,555	2,555	644
Planned Off-Hire-Days	95	94	292	193	114	101	31
Available Days	2,217	2,461	2,636	2,706	2,441	2,454	613
Operation Days	840	1,702	1,790	1,858	1,631	1,480	318
Fleet Utilisation (Owned)	37.89%	69.14%	67.91%	68.66%	66.80%	60.29%	51.88%

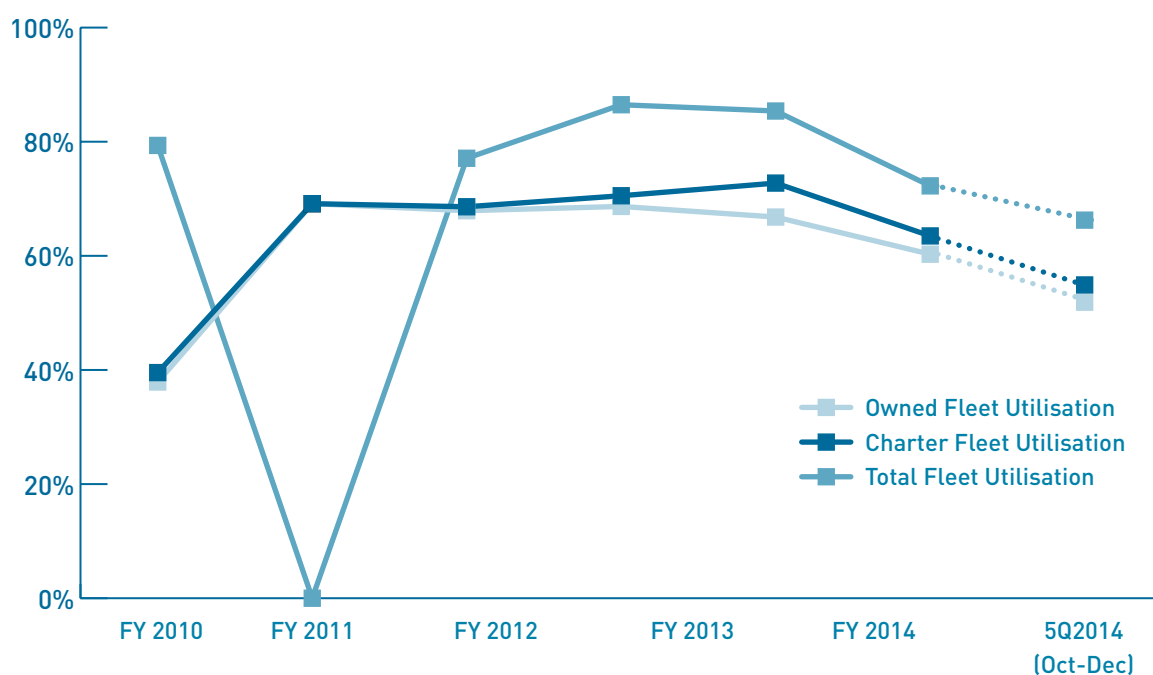
Note: FY refers to October - September period, CY refers to January - December period

Fleet Utilisation – Chartered-in vessels

Fleet Utilisation - Chartered	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	CY 2014	5Q2014 (Oct-Dec)
Calendar-Vessel-Days	92	0	214	318	737	914	184
Planned Off-Hire-Days	0	0	0	0	0	21	21
Available Days	92	0	214	318	737	893	163
Operation Days	73	0	165	275	629	645	108
Fleet Utilisation (Chartered in)	79.35%	0.00%	77.10%	86.48%	85.38%	72.26%	66.26%

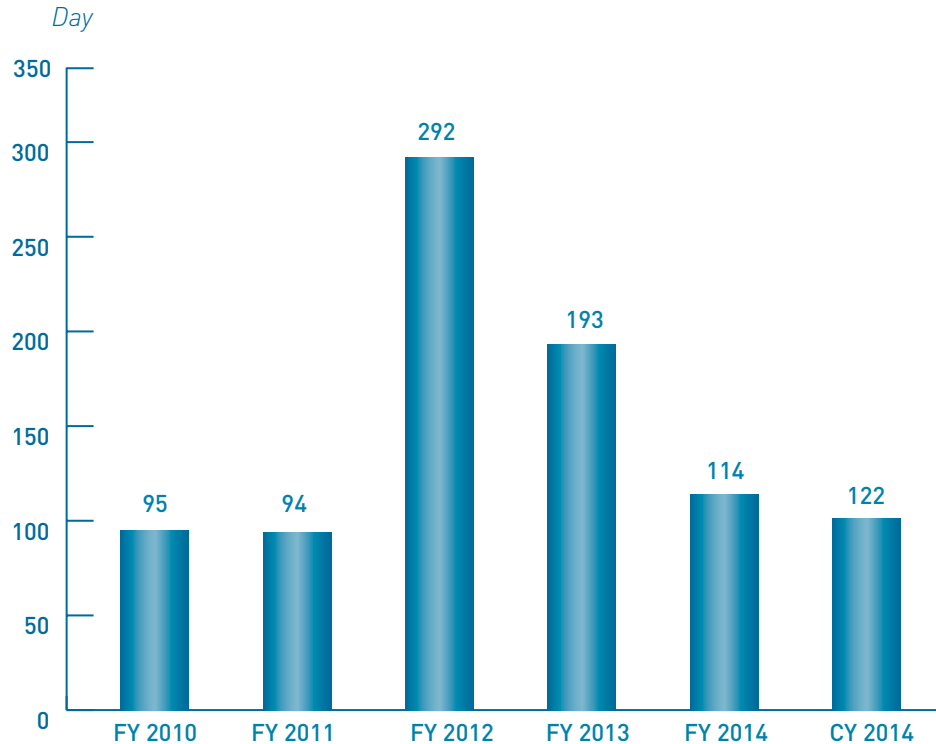
Note: FY refers to October - September period, CY refers to January - December period

Fleet Utilisation



16 OPERATIONS REVIEW

Planned Off-Hire-Days



Although fleet Utilisation rate in 5Q2014 and CY2014 declined to 54.9% and 63.5% respectively, the Group saw an increase in total service incomes. This was primarily due to the commencement of cable laying projects in subsea services segment starting in the middle of CY2014 before reaching three (3) projects by 5Q2014. The execution of cable laying projects kept subsea services segment busy throughout the period and achieved significantly growth of revenue recognition in both 5Q2014 and CY2014.

Profit after tax

Profit after tax for the subsea services segment fell by 69% yoy from USD5.8 million in the same period as last year to USD1.8 million in 5Q2014. Subsea services presented improvement in its service income but it did not materialize to stronger bottom line because of unfavorable weather and terrain condition during the execution of the cable laying projects. On 12-month basis, profit after tax fell by 51% yoy, explaining by challenging conditions in the cable lay projects during 5Q2014, as well as dry docking activities on certain vessels in the period.

Offshore Drilling Services Performance Review

Service income

Service income for the offshore drilling services segment decreased 48% yoy from USD8.8 million in the same period last year to USD4.6 million in 5Q2014. On 12-month basis, offshore drilling services registered a slight dip of 7% yoy to USD23.6 million in 2014 as compared with USD25.3 million in 2013.

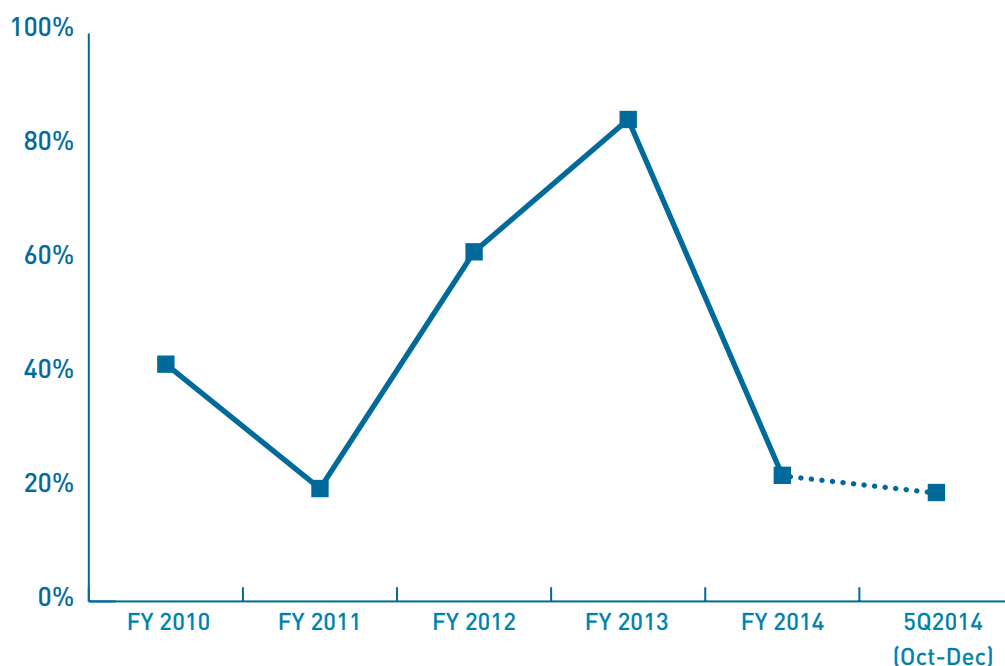
16 OPERATIONS REVIEW

The following table provides a summary of rigs Utilisation:

Rigs Utilisation	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	CY 2014	5Q2014 (Oct-Dec)
Calendar-Rig-Days	730	730	732	730	730	730	184
Planned Off-Hire-Days	0	0	0	151	0	0	0
Available Days	730	730	732	579	730	730	184
Operation Days	414	350	473	428	356.83	348	83
Rigs Utilisation	56.71%	47.95%	64.62%	73.94%	48.88%	47.67%	45.16%

Note: FY refers to October - September period, CY refers to January - December period

Owned Rigs Utilisation



Rigs Utilisation was 45.2% in 5Q2014 and 47.7% in CY2014. The key factor explaining a decline in service income of drilling service segment were the day rate reduction of tender rig MTR-2 after the client renegotiated to place the rig as work over unit during the permit approval process. Toward the end of December 2014, MTR-2 saw pre-mature contract termination after the customer was unable to secure drilling permit from Indonesian government.

Profit after tax

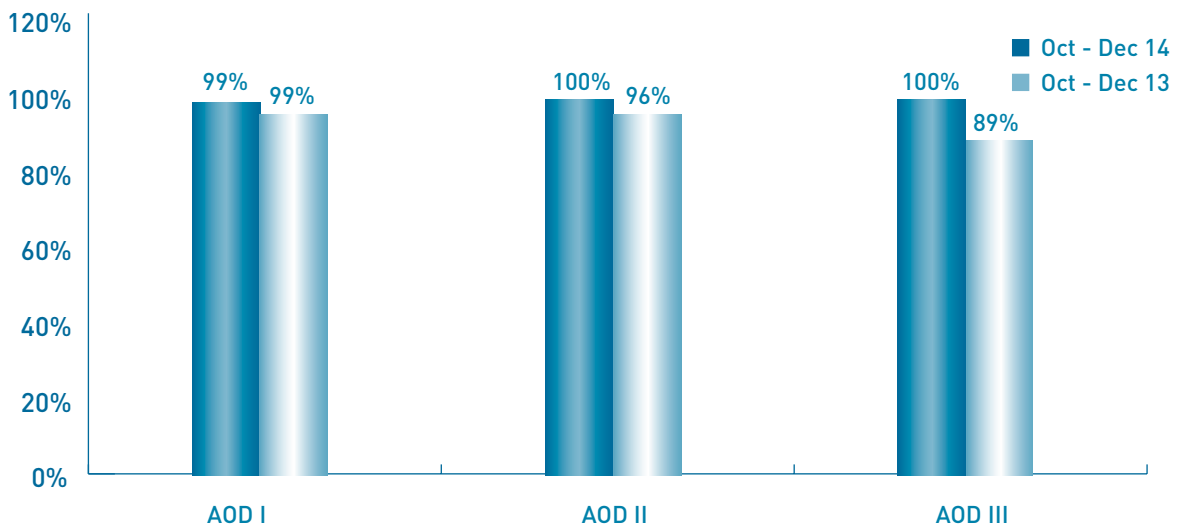
Profit after tax declined 85% yoy to USD0.4 million in 5Q2014 to USD2.4 million over the corresponding period in 2013. This was mainly affected by the day rate reduction as mentioned above. On 12-month basis, profit after tax grew 109% yoy to USD0.3 million in 2014 against loss after tax of USD3.9 million in 2013. The loss making in 2013 was explained by Special Purpose Survey ("SPS") that MTR-2 undertook from November 2012 to May 2013, leading to significant decline in Utilisation rate. Normally, tender rigs are entitled for SPS program every 5 years.

OPERATIONS REVIEW

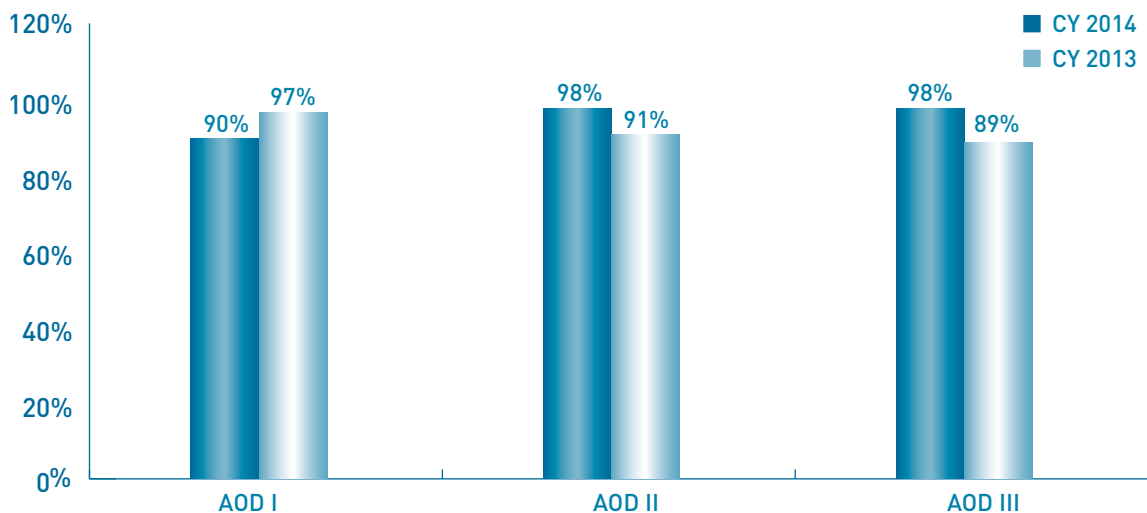
Asia Offshore Drilling ("AOD")

Share profits from investment in Asia Offshore Drilling Limited ("AOD")'s three jack-up drilling rigs registered at USD6.9 million, a slight decline of 4% yoy, in 5Q2014 as compared with USD7.1 million from the corresponding period in 2013. Higher operating cost was the main culprit. Nonetheless, all three jack-up rigs are operated steadily and achieved high Utilisation rate of 99% for AOD-I, and 100% for both AOD-II and AOD-III. On 12-month basis, share profits witnessed significant growth of 158% increase yoy to USD30.8 million in 2014 as all three jack-ups were fully operated in 2014.

Fleet Utilisation - AOD



Fleet Utilisation - AOD



Mermaid delivered satisfactory performance in one-off transitional 3-month period ending 31 December 2014 (“5Q2014”) amid challenging operating environment that prevailed during the period. Group profit after tax in 5Q2014 was USD4.3 million.

Service Income

The Group achieved a record service income of USD98.9 million in 5Q2014, an increase of 18% year on year (“yoy”) compared to the same period last year. On the full calendar year basis, the Group reported service income of USD328.1 million in 2014, an increase of 9% over the corresponding period in 2013. The growths from both the 3-month and the 12-month basis were primarily driven by the Group’s geographic and product expansions in the subsea services segment as evidenced by higher vessel days and entry into cable laying ventures.

Earnings

The Group recorded profit after tax in 5Q2014 at USD4.3 million, down from USD13.3 million in the same period last year, was mainly attributable to higher operating and administrative costs following the commencement of new projects in the period. On 12-month basis, the Group 2014’s profit after tax achieved a strong growth of 26% yoy to USD36.3 million from USD28.8 million in 2013, resulting mainly from the improvement in Utilisation rate of offshore drilling service and the significant growth in share profits from associated Company, Asia Offshore Drilling Limited (“AOD”).

Financial Position

Total Equity as at 31 December 2014 was USD565.9 million, comprising of equity attributable to owners of USD564.2 million and non-controlling interests of USD1.7 million. The Group’s equity attributable to owners increased 1% to USD564.2 million from USD560.0 million at the end of 30 September 2014 following the net profits generated in the period.

The Group reported net cash of USD89.4 million, an increase of USD33.6 million or equivalent to 60% from USD55.8 million at the end of 30 September 2014. This was primarily due to the increase in net cash inflow from operating activities.

17 FINANCIAL REVIEW

The increase in Investment in associates was mainly driven by profit sharing recognized during the period. Trade receivables and trade payables increased mainly due to timing of receipts and repayment respectively. Property, Plant and Equipment increased primarily due to the Group's further investments in subsea services equipment as well as dry docking capitalization on some certain vessels and dry docking outlay during the period. Interest bearing liabilities were decreased significantly due to the loan repayments.

Shareholder Returns

Subject to approval by shareholders of Mermaid Maritime Public Company Limited ("the Company") at the forthcoming Annual General Meeting, a final dividend of 0.4 US cents per share has been proposed by the Company's Board of Directors.



GROUP FINANCIAL HIGHLIGHTS

For the 3-month Period Ending 31 Dec (US\$'000)	2014	2013	% Change
Group Income Statement			
Service Income	98,890	83,786	18%
Profit			
EBITDA	15,526	25,418	(39%)
Operating Profit	901	10,655	(92%)
Profit Before Tax	7,068	16,964	(58%)
Attributable Profit	4,323	13,151	(67%)
Group Statement of Financial Position			
Total Assets	763,352	728,315	5%
Total Liabilities	197,418	186,122	6%
Net Tangible Assets	378,262	322,289	17%
Equity Attributable to Owners	564,165	540,416	4%
Non-Controlling Interests	1,769	1,777	(0%)
Total Equity	565,934	542,193	4%
Cash and Cash equivalents	89,408	172,240	(48%)
Interest Bearing Liabilities	(112,713)	(131,515)	(14%)
Net Cash	(23,305)	40,725	(157%)
Financial Ratios			
Earning Per Share (EPS)			
Basic (cents)	0.31	0.94	(67%)
Diluted (cents)	0.31	0.94	(67%)
Dividend per Share	-	-	-
Net Assets Value per Share (cents)	39.92	38.61	3%
Net Tangible Assets per Share (cents)	26.77	23.03	16%
Return on Total Assets	0.57%	1.81%	(1%)
Return on Equity	0.77%	2.43%	(2%)

17 FINANCIAL REVIEW

GROUP FINANCIAL HIGHLIGHTS

For the Calendar Year (US\$'000)	2014	2013	% Change
Group Income Statement			
Service Income	328,064	300,414	9%
Profit			
EBITDA	73,896	70,005	6%
Operating Profit	13,237	29,729	(55%)
Profit Before Tax	40,531	36,656	11%
Attributable Profit	36,328	28,999	25%
Group Statement of Financial Position			
Total Assets	763,352	728,315	5%
Total Liabilities	197,418	186,122	6%
Net Tangible Assets	378,262	322,289	17%
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Interest Bearing Liabilities	(112,713)	(131,515)	(14%)
Net Cash	(23,305)	40,725	(157%)
Financial Ratios			
Earning Per Share (EPS)			
Basic (cents)	2.57	3.05	(16%)
Diluted (cents)	2.57	3.05	(16%)
Dividend per Share	0.86	0.09	856%
Net Assets Value per Share (cents)	39.92	56.85	(30%)
Net Tangible Assets per Share (cents)	26.77	33.90	(21%)
Return on Total Assets	4.76%	3.98%	1%
Return on Equity	6.44%	5.37%	1%

GROUP FINANCIAL HIGHLIGHTS

For the Year Ending 30 Sep (US\$'000)	FY2010	FY2011	FY2012	FY2013	FY2014	Period Ending 31 Dec 2014
Service Income	106,782	183,322	183,562	269,601	312,960	98,890
Operating Profit	(5,745)	6,141	17,116	21,390	22,991	901
Profit Before Tax	(8,082)	(2,812)	7,791	20,633	50,427	7,068
Attributable Profit (Loss)	(14,009)	(5,535)	3,221	15,746	45,156	4,323
Dividend	-	14,901	-	718	12,152	-

Group Statement of Financial Position

Property, Plant and Equipment	394,045	331,250	320,161	327,855	376,987	378,262
Investment in Associate and Joint Venture	-	62,419	62,108	100,316	131,637	138,663
Other Non-Current Assets	19,640	18,353	17,398	17,220	17,410	17,594
Current Assets	172,036	113,606	136,489	267,010	221,224	228,833
Current Liabilities	37,353	38,815	33,886	73,014	73,980	87,435
Long-Term Liabilities	122,349	110,851	126,388	122,600	111,452	109,983
Share Capital	27,287	27,287	27,287	45,429	47,314	47,322
Premium on Share Capital	303,300	303,300	303,300	411,613	422,513	422,563
Retained Earnings	84,155	38,935	42,156	57,184	90,488	94,781
Other Components of Equity	8,328	3,430	1,120	872	(279)	(501)
Non-Controlling Interests	2,949	3,010	2,019	1,689	1,790	1,769

Per Share (Cents)

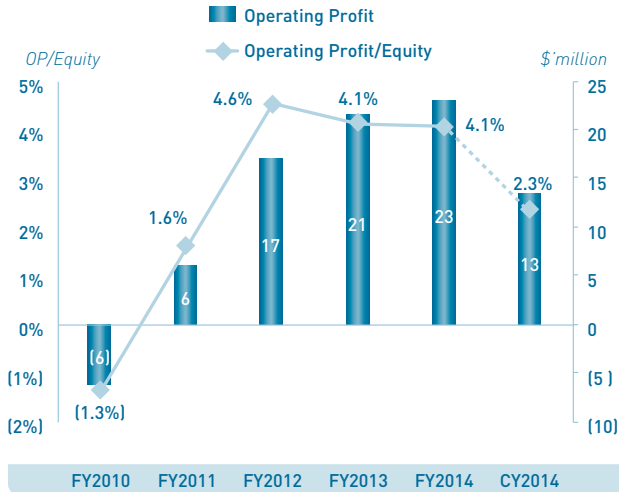
EPS - Basic	(1.87)	(0.71)	0.41	1.98	3.20	0.31
EPS - Diluted	(1.87)	(0.71)	0.41	1.98	3.20	0.31
Net Tangible Assets	52.58	42.21	40.80	41.20	26.74	26.77
Net Assets Value	56.46	47.53	47.64	64.74	39.73	39.92

Financial Ratios

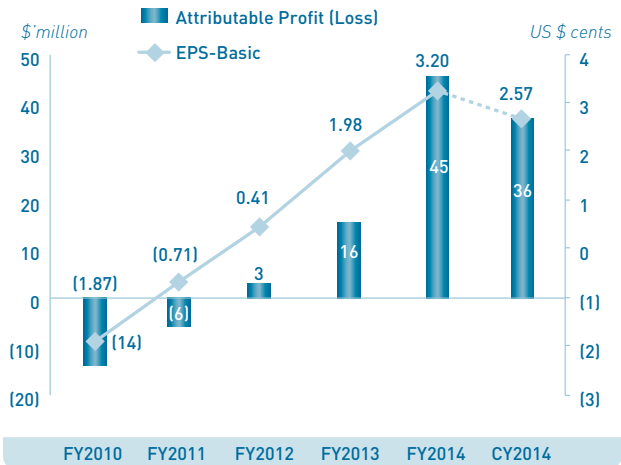
Return on Total Assets	(2%)	(1%)	1%	2%	6%	1%
Return on Equity	(3%)	(1%)	1%	3%	8%	1%
Operating Profit/Equity	(1.3%)	1.6%	4.6%	4.1%	4.1%	0.2%
Current Ratio	4.61	2.93	4.03	3.66	2.99	2.62
Net Gearing	0.04	0.22	0.18	(0.02)	0.11	0.04

17 FINANCIAL REVIEW

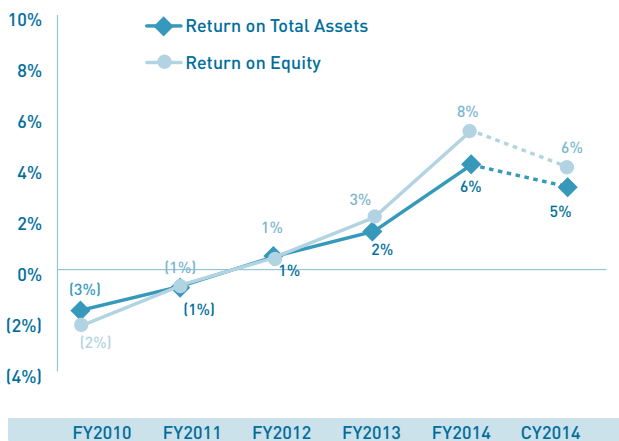
Operating Profit and Operating Profit/Equity



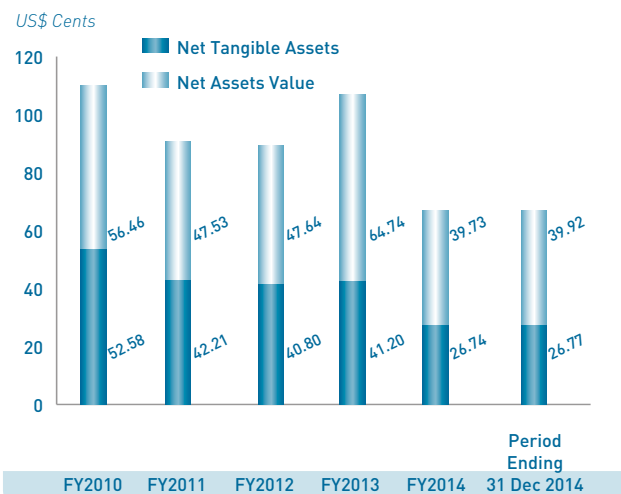
Attributable Profit and Earnings Per Share



Return on Equity and Return on Total Assets

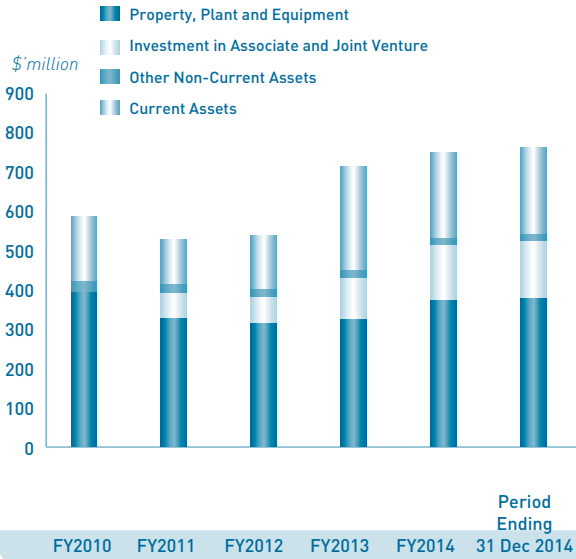


Net Tangible Assets and Net Assets Value Per Share

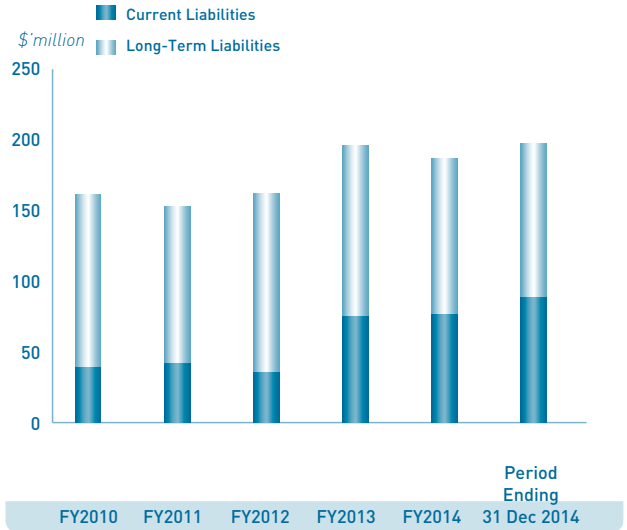


17 FINANCIAL REVIEW

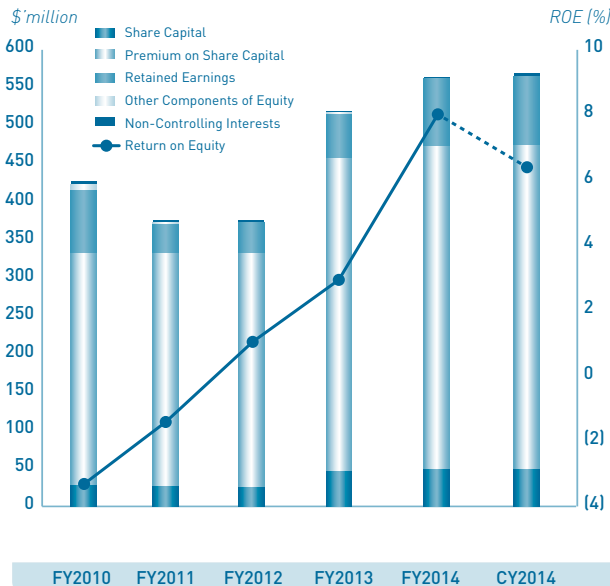
Assets



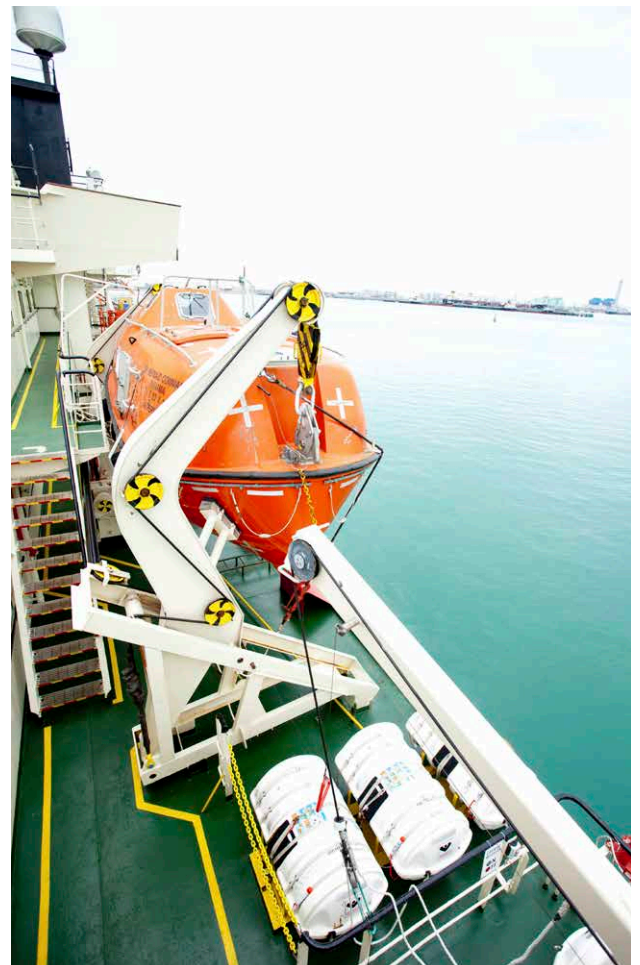
Liabilities



Shareholders' Fund



*CY2014 ROE reported calendar year returns



DEVELOPMENTS

Calendar Year Ending 31 December 2014

In the 2014 calendar year, Mermaid built on the successes of the previous years and further developed its platform for growth, stability, and most importantly profitability. This cumulated in Mermaid achieving satisfactory net profits of USD 36.3 million. A list of key developments during the year is set forth below.

In January 2014, Mermaid announced the order of two new build performance class tender rigs and one new build subsea DP2 multi-purpose dive support and construction vessel. These new orders will be built in shipyards owned by China Merchants Industry Holdings Co. Ltd. in China. The aggregate sum of the investment was USD 436 million. The delivery of the tender rigs, named 'MTR-3' and 'MTR-4', are scheduled for the first and second quarter of 2016 respectively and the delivery of the new build DP2 multi-purpose dive support and construction vessel, named 'Mermaid Ausana', is scheduled for the third quarter of 2016.

The 'MTR-3' and 'MTR-4' will be state-of-the-art performance class tender assist drilling rigs incorporating the latest modern design features, and will be the most advanced tender rigs in the market when they are delivered in 2016. The rigs will each be equipped with a modern drilling package supplied by leading drilling equipment specialist National Oilwell Varco and will feature a larger deck space, bigger cranes, faster rig moves, larger and more living quarter capacity, larger tank storage and offline activity systems.

In addition, both rigs will be able to operate in water depths of up to 243 meters with conventional mooring and 914 meters with pre-laid mooring, and have a drilling depth rating of 7,620 meters and accommodation for 200 personnel. All these features are expected to make both rigs an appealing option and solution for potential customers looking for a complete production drilling program.

The DNV classed, fully OGP compliant 'Mermaid Ausana' on the other hand, will be equipped with an 18-man twin bell saturation system and will have two self powered hyperbaric lifeboats. The vessel will also be equipped with diesel electric frequency controlled propulsion, highly efficient azimuth thrusters, dynamic positioning systems, offshore cranes and a large platform deck for construction duties. Upon completion and delivery in 2016, the 'Mermaid Ausana' is expected to possess excellent characteristics for worldwide deployment.

The orders were undertaken as part of Mermaid's commitment to expand the size of the rigs and vessels to enhance its offshore oil and gas support services business. These new assets will also enhance Mermaid's market position in terms of the modernization of its fleet. To date, the initial payment of 15 percent of the total contract value has been made to the shipyard with the remaining 85 percent due upon delivery in 2016.

Also in January 2014, Mermaid's shareholders approved the payment of a final dividend of US 0.86 cents per ordinary share for the 2013 financial year and payment was made to all shareholders in February 2014.

DEVELOPMENTS

In February 2014, Mermaid announced an award of a 3-year subsea call-out contract for light construction and IRM services utilizing the 'Mermaid Sapphire' for 60 to 120 days a year from 2014 to 2016. The potential value of this contract is USD 19 million.

In June 2014, Mermaid's shareholders passed a resolution to change the financial year end of the company from 30 September to 31 December thus aligning it with its parent company Thoresen Thai Agencies Plc. and also other companies in the offshore oil and gas industry, generally.

Mermaid also announced that month of an amendment to the drilling contract for 'MTR-2' with Chevron Indonesia which saw the tender rig used as a work-over unit at a reduced rate. This was due to the customer being in the process of obtaining new drilling permits from the Indonesian authorities.

In August 2014, Mermaid announced that its associate Asia Offshore Drilling ("AOD") achieved average Utilisation levels for its three jack-up drilling rigs of 97 percent, which was in line with Mermaid's target. This was primarily due to all jack-up rigs experiencing high operating performance with limited downtime. Mermaid remains confident that AOD will continue performing at a satisfactory level for the remainder of the contract term ending 2016 and that AOD will continue to serve the same customer beyond this term.

Despite news of protests in Bangkok, Mermaid announced that it has had no effect from the protests in Bangkok and continues to serve key customers in Thailand with continued business expansion overseas. In particular, all of Mermaid's business operations are located outside Bangkok and overseas and Mermaid continued to secure contracts with key customers in Thailand.

In August 2014, Mermaid also announced a rebranding of its subsea business units which will be collectively operated under the name "Mermaid Subsea Services". The Company's subsea business previously operated globally under separate brand names, namely Subtech in West Africa and the Middle East, Seascope Surveys in Singapore and Indonesia and Mermaid Offshore Services in Thailand and Vietnam. All three subsea units were integrated and now operate under the same new company name. The integration has united the Company and provided brand recognition and seamless services to our valuable customers throughout our global network. The subsea organization, which now works under one unified management, has two market divisions namely the western hemisphere that will cover Saudi Arabia, Qatar, United Arab Emirates, Nigeria, Libya and the North Sea, and the eastern hemisphere which will cover Australia, China, Indonesia, Malaysia, Singapore and Thailand.

As part of the rebranding exercise, Mermaid had also unveiled a new logo to represent the new single subsea unit. In addition to that, this unified structure promotes cross-selling of products and services resulting in improving Utilisation of assets for better profitability.

In September 2014, Mermaid announced that it had incorporated a new subsidiary called "Mermaid International Ventures" as an investment holding company. Assets will be restructured under this entity which will allow Mermaid to better manage its investments and expansion plans.

In September 2014, Mermaid also announced the award of two saturation diving contracts in the Middle East with a total estimated value of up to USD 45 million. This saw the charter-in of the DP3 multipurpose support vessel 'Bourbon Evolution' to support these new work scopes for approximately 6 to 8 months with options. In October 2014, Mermaid announced an increase in shareholding from 70 percent to 95 percent in Subtech Saudi Arabia, to be renamed Mermaid Subsea Services (Saudi Arabia) Ltd. Mermaid plans to use this entity to tender for additional service contracts in Saudi Arabia.

DEVELOPMENTS

In November 2014, Mermaid reported that it has a cautionary perspective on the oil and gas outlook over the next 12 months, given the fall in oil price and news that oil and gas companies may be reviewing their spending. In the meantime, Mermaid continues to see stable demand for its subsea vessels and related services on those projects that are ongoing. Mermaid also continues to emphasize on achieving high vessel Utilisation while at the same time focusing on value-added services to customers and longer term contract durations in growth areas of South East Asia, the Middle East and the North Sea.

During the year 2014, Mermaid also continued to implement its growth strategy by expanding its revenue base through the charter-in of additional vessels against confirmed customer contracts. Delivering on this initiative, in December 2013 Mermaid took delivery of the DP2 RSV 'Mermaid Resolution' on a 2+1 year charter to service in contracts in Indonesia as previously mentioned above. This was followed in June 2014 by a short term charter of the DP2 PSV 'Lewek Atria' for several months serving the Gulf of Thailand. In August 2014, Mermaid also chartered-in the DP2 Construction Barge 'Mubarak Supporter' on a 1+1+1 year charter to service contracts in the Middle East.

In November 2014, Mermaid announced that it had chartered-in additional subsea vessels to fulfill strong demand for its services. This included the 'Siem Daya 2', a DP3 offshore subsea construction vessel to provide subsea cable laying installation support in the Middle East with work until early January 2015, DPB 'Mubarak Carrier', a construction barge for short term work on subsea cable lay trenching support in the Middle East and the RSV 'Harkand Harmony', an ROV and survey support vessel for gas detection work in the Gulf of Thailand.

Also in November 2014, Mermaid announced final dividends of US 0.47 cents per ordinary share to be recommended to the shareholders for approval in January 2015, and a back log of USD 470 million in contracts to be performed mostly in 2015 and 2016. In addition to this back log, there is also an outstanding USD 110 million of pro-rata order book contribution from Mermaid's associate investment AOD.

In November 2014, Mermaid also announced that its Indonesian unit had entered into a five year charter-in contract for a five year old DP2 DSV 'Windermere'. The contract has a further option for an additional five year extension. This move is to position Mermaid as a leading Indonesian subsea services provider. The vessel has a good track record in Indonesia with work previously done for oil and gas majors. Being Indonesian flagged, the vessel will be in prime position to secure any potential work in Indonesia. In addition, the vessel will also bid for jobs in Myanmar, Thailand, Malaysia and Brunei while providing back up for the DSV 'Mermaid Commander' and for any additional work.

In December 2014, Mermaid announced the demobilization of the 'MTR-2' from Indonesia. The rig was terminated early due to customer's inability to secure their own government permits. The said events have all occurred through no fault of Mermaid. The 'MTR-2' tender rig, purchased by Mermaid in June 2005, has been utilized by this customer for almost a decade in its Thailand and Indonesia's production fields. During its course of service, the 'MTR-2' has been lauded for its safety record, operational efficiency, equipment reliability and performance. The 'MTR-2' had also received numerous awards from this customer, the latest being a commendation for achieving five (5) years of no loss time incidents a few months earlier.

In December 2014, Mermaid also announced the start of new build construction with steel cutting ceremonies for the 'MTR-3' and 'Mermaid Ausana'. The steel cutting ceremony for the 'MTR-4' is scheduled for early next year 2015. The construction of all three assets remains on schedule and delivery dates for all units remain in 2016.

The multiple contract wins and other achievements during the period and across various regions as mentioned above are outstanding as they reflect Mermaid's ongoing efforts to support its customers wherever they may operate and also the confidence and satisfaction that Mermaid's customers have in Mermaid's quality services. Furthermore, the contract awards mentioned did not include other smaller subsea projects awarded during the year using Mermaid's owned vessels, chartered-in vessels, or performed onboard third party vessels which in aggregate added further to Mermaid's total earnings and outstanding order book.

*All values cited are approximates

(as at 31 December 2014)



CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS



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Independent Auditor's Report

To the Shareholders of Mermaid Maritime Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Mermaid Maritime Public Company Limited and its subsidiaries (the "Group") and of Mermaid Maritime Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2014, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the period from 1 October 2014 to 31 December 2014, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS



Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2014 and their financial performance and cash flows for the period from 1 October 2014 to 31 December 2014 in accordance with Thai Financial Reporting Standards.



(Pornthip Rimdusit)
Certified Public Accountant
Registration No. 5565

KPMG Phoomchai Audit Ltd.
Bangkok
27 February 2015

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Consolidated financial statements					
Assets	<i>Note</i>	31 December	30 September	31 December	30 September
		2014	2014	2014	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current assets					
Cash and cash equivalents	6	89,408	55,841	2,947,156	1,807,757
Short-term deposit at financial institution	7	-	25,012	-	809,721
Trade accounts receivable	5,8	110,779	109,850	3,651,608	3,556,207
Other receivables	9	17,292	18,436	569,996	596,834
Receivables from related parties	5	4	5	132	162
Deferred contract costs	10	5,772	6,282	190,262	203,369
Supplies and spare parts		5,578	5,798	183,868	187,700
Total current assets		228,833	221,224	7,543,022	7,161,750
Non-current assets					
Restricted deposit at financial institution	11	4,001	4,001	131,885	129,526
Investments in associates	12	138,248	131,375	4,557,069	4,253,042
Investments in jointly-controlled entity	12	415	262	13,680	8,482
Property, plant and equipment	14	378,262	376,987	12,468,650	12,204,313
Goodwill		10,136	10,136	334,113	328,136
Intangible assets	15	353	436	11,636	14,115
Deferred tax assets	16	2,546	2,250	83,924	72,840
Other non-current assets		558	587	18,393	19,003
Total non-current assets		534,519	526,034	17,619,350	17,029,457
Total assets		763,352	747,258	25,162,372	24,191,207

The accompanying notes are integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

Liabilities and equity	Note	Consolidated financial statements			
		31 December	30 September	31 December	30 September
		2014	2014	2014	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current liabilities</i>					
Trade accounts payable		29,074	17,876	958,366	578,705
Other payables	5,18	43,699	39,476	1,440,450	1,277,968
Current portion of long-term loans					
from financial institutions	17	8,890	10,885	293,041	352,383
Current portion of finance lease liabilities	17	35	31	1,154	1,004
Share purchase consideration payable	4	1,739	2,040	57,323	66,042
Income tax payable		3,998	3,672	131,786	118,875
Total current liabilities		87,435	73,980	2,882,120	2,394,977
<i>Non-current liabilities</i>					
Long-term loans from financial institutions	17	103,770	106,493	3,420,571	3,447,530
Finance lease liabilities	17	18	31	593	1,004
Deferred tax liabilities	16	3,296	2,207	108,646	71,448
Employee benefit obligations	19	2,899	2,721	95,560	88,088
Total non-current liabilities		109,983	111,452	3,625,370	3,608,070
Total liabilities		197,418	185,432	6,507,490	6,003,047

The accompanying notes are integral part of these financial statements.

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Liabilities and equity	Note	Consolidated financial statements			
		31 December	30 September	31 December	30 September
		2014	2014	2014	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Equity					
Share capital	20				
Authorised share capital		-	-	1,416,701	1,416,701
Issued and paid-up share capital		47,322	47,314	1,413,329	1,413,081
Premium on share capital	20	422,563	422,513	13,558,613	13,557,016
Retained earnings					
Appropriated	21	4,503	4,503	141,670	141,670
Unappropriated		90,278	85,985	2,940,066	2,799,640
Other components of equity		(501)	(279)	541,712	216,566
Equity attributable to owners of the Company		564,165	560,036	18,595,390	18,127,973
Non-controlling interests		1,769	1,790	59,492	60,187
Total equity		565,934	561,826	18,654,882	18,188,160
Total liabilities and equity		763,352	747,258	25,162,372	24,191,207

The accompanying notes are integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

Assets	Note	Separate financial statements			
		31 December 2014 <i>(in thousand US Dollar)</i>	30 September 2014	31 December 2014 <i>(in thousand Baht)</i>	30 September 2014
Current assets					
Cash and cash equivalents	6	58,232	25,888	1,919,501	838,080
Short-term deposit at financial institution	7	-	25,012	-	809,721
Other receivables	9	171	157	5,637	5,082
Receivables from related parties	5	125,043	125,523	4,121,793	4,063,594
Short-term loans to related parties	5	136,507	147,800	4,499,680	4,784,774
Dividend receivable	5	9,600	-	316,445	-
Total current assets		329,553	324,380	10,863,056	10,501,251
Non-current assets					
Investments in subsidiaries	13	184,273	184,273	6,074,191	5,965,525
Investments in jointly-controlled entity	12	213	213	7,021	6,896
Property, plant and equipment	14	3,071	3,170	101,229	102,623
Intangible assets	15	97	105	3,197	3,399
Deferred tax assets	16	25	-	824	-
Other non-current assets		37	36	1,220	1,165
Total non-current assets		187,716	187,797	6,187,682	6,079,608
Total assets		517,269	512,177	17,050,738	16,580,859

The accompanying notes are integral part of these financial statements.

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

Liabilities and equity	Note	Separate financial statements			
		31 December 2014 <i>(in thousand US Dollar)</i>	30 September 2014	31 December 2014 <i>(in thousand Baht)</i>	30 September 2014
Current liabilities					
Other payables	5,18	36,931	36,768	1,217,358	1,190,301
Income tax payable		1,068	998	35,204	32,309
Total current liabilities		37,999	37,766	1,252,562	1,222,610
Non-current liabilities					
Employee benefit obligations	19	131	123	4,318	3,982
Total non-current liabilities		131	123	4,318	3,982
Total liabilities		38,130	37,889	1,256,880	1,226,592
Equity					
Share capital	20				
Authorised share capital		-	-	1,416,701	1,416,701
Issued and paid-up share capital		47,322	47,314	1,413,329	1,413,081
Premium on share capital	20	422,563	422,513	13,558,613	13,557,016
Differences arising from common control transactions	12,21	(7,406)	(7,406)	(239,757)	(239,757)
Retained earnings					
Appropriated	21	4,503	4,503	141,670	141,670
Unappropriated		12,129	7,323	436,857	279,650
Other components of equity		28	41	483,146	202,607
Total equity		479,139	474,288	15,793,858	15,354,267
Total liabilities and equity		517,269	512,177	17,050,738	16,580,859

The accompanying notes are integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

Consolidated financial statements					
		Period from		Period from	
		1 October 2014 to 31 December 2014	Year ended 30 September 2014	1 October 2014 to 31 December 2014	Year ended 30 September 2014
	<i>Note</i>	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Income					
Revenue from rendering of services	5	98,890	312,960	3,234,741	10,088,172
Interest income	5	103	504	3,369	16,246
Net gain on foreign exchange		323	793	10,565	25,562
Other income	5	244	229	7,981	7,382
Total income		99,560	314,486	3,256,656	10,137,362
Expenses					
Cost of rendering of services	5,23	86,518	255,436	2,830,047	8,233,903
Administrative expenses	5,24	12,141	36,059	397,138	1,162,351
Finance costs	26	859	3,885	28,098	125,232
Total expenses		99,518	295,380	3,255,283	9,521,486
Share of profit of equity-accounted investees					
Associates	12	6,873	31,059	224,819	1,001,178
Jointly-controlled entity	12	153	262	5,005	8,445
Total		7,026	31,321	229,824	1,009,623
Profit before income tax expense		7,068	50,427	231,197	1,625,499
Income tax expense	27	(2,726)	(5,151)	(89,169)	(166,041)
Profit for the period / year		4,342	45,276	142,028	1,459,458
Other comprehensive income (loss):					
Defined benefit plan actuarial gains (losses), net of tax	19	(31)	303	(1,014)	9,767
Exchange differences on translating financial statements		(256)	(461)	(8,374)	(14,860)
Translation adjustments		-	-	332,326	510,148
Other comprehensive income (loss) for the period / year		(287)	(158)	322,938	505,055
Total comprehensive income for the period / year		4,055	45,118	464,966	1,964,513
Profit attributable to:					
Owners of the Company		4,323	45,156	141,407	1,455,590
Non-controlling interests		19	120	621	3,868
Profit for the period / year		4,342	45,276	142,028	1,459,458

The accompanying notes are integral part of these financial statements.

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

Consolidated financial statements				
	Period from		Period from	
	1 October 2014	Year ended	1 October 2014	Year ended
<i>Note</i>	to 31 December	30 September	to 31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Total comprehensive income attributable to:				
Owners of the Company	4,049	45,017	464,771	1,961,257
Non-controlling interests	6	101	195	3,256
Total comprehensive income for the period / year	4,055	45,118	464,966	1,964,513
Earnings per share	<i>(in US Dollar)</i>		<i>(in Baht)</i>	
Basic earnings per share	29 0.003	0.032	0.100	1.033
Diluted earnings per share	29 0.003	0.032	0.100	1.032

The accompanying notes are integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

	Note	Separate financial statements			
		Period from		Period from	
		1 October 2014 to 31 December 2014 (in thousand US Dollar)	Year ended 30 September 2014	1 October 2014 to 31 December 2014 (in thousand Baht)	Year ended 30 September 2014
Income					
Management fee income	5	479	1,486	15,668	47,901
Interest income	5	1,217	4,909	39,809	158,240
Dividend income	5	9,600	-	314,021	-
Other income	5	121	314	3,958	10,122
Total income		11,417	6,709	373,456	216,263
Expenses					
Administrative expenses	5,24	1,809	5,876	59,173	189,412
Net loss on foreign exchange		4,737	2,388	154,950	76,976
Total expenses		6,546	8,264	214,123	266,388
Profit (loss) before income tax expense		4,871	(1,555)	159,333	(50,125)
Income tax expense	27	(46)	(1,135)	(1,505)	(36,586)
Profit (loss) for the period / year		4,825	(2,690)	157,828	(86,711)
Other comprehensive income (loss)					
Defined benefit plan actuarial gains (losses), net of tax	19	(19)	94	(621)	3,030
Translation adjustments		-	-	280,955	471,053
Other comprehensive income (loss) for the period / year		(19)	94	280,334	474,083
Total comprehensive income (loss) for the period / year		4,806	(2,596)	438,162	387,372
Earnings (losses) per share					
		<i>(in US Dollar)</i>		<i>(in Baht)</i>	
Basic earnings (losses) per share	29	0.003	(0.002)	0.112	(0.062)
Diluted earnings (losses) per share	29	0.003	(0.002)	0.112	(0.062)

The accompanying notes are integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Consolidated financial statements							Total equity attributable to owners of the Company	Non-controlling interests	Total equity	
	Issued and paid-up capital	Retained earnings	Other components of equity			Total other components of equity					
	premium on share capital	Appropriated	Unappropriated	Currency translation differences	Share-based payment	Changes in interests of equity					
Year ended 30 September 2014											
Balance at 1 October 2013	45,429	411,613	4,314	52,870	3,320	27	(2,475)	872	515,098	1,689	516,787
Transactions with equity holders, recorded directly in equity											
<i>Contributions by and distributions to equity holders</i>											
Issues of ordinary shares ²⁰	1,885	10,900	-	-	-	-	-	-	12,785	-	12,785
Share-based payment transactions ³⁴	-	-	-	-	-	14	-	14	14	-	14
Additional investment in subsidiaries	-	-	-	-	-	-	(726)	(726)	(726)	-	(726)
Dividends paid ³⁰	-	-	-	(12,152)	-	-	-	-	(12,152)	-	(12,152)
Total contributions by and distributions to equity holders	1,885	10,900	-	(12,152)	-	14	(726)	(712)	(79)	-	(79)
Total transactions with equity holders, recorded directly in equity	1,885	10,900	-	(12,152)	-	14	(726)	(712)	(79)	-	(79)
Comprehensive income for the year											
Profit for the year	-	-	-	45,156	-	-	-	-	45,156	120	45,276
Defined benefit plan actuarial gains, net of tax ¹⁹	-	-	-	300	-	-	-	-	300	3	303
Exchange differences on translating financial statements	-	-	-	-	(439)	-	-	(439)	(439)	(22)	(461)
Total comprehensive income for the year	-	-	-	45,456	(439)	-	-	(439)	45,017	101	45,118
Transfer to legal reserve ²¹	-	-	189	(189)	-	-	-	-	-	-	-
Balance at 30 September 2014	47,314	422,513	4,503	85,985	2,881	41	(3,201)	(279)	560,036	1,790	561,826

The accompanying notes are integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Consolidated financial statements					Total equity attributable to Non-controlling interests	Total equity
	Issued and paid-up share capital	Premium on share capital	Retained earnings	Other components of equity			
				Currency translation differences	Share-based payment	Changes in ownership interests of equity components	
Period from 1 October 2014 to 31 December 2014	47,314	422,513	4,503	2,881	41	(3,201)	560,036
Balance at 1 October 2014			85,985				1,790
Transactions with equity holders, recorded directly in equity							
<i>Contributions by and distributions to equity holders</i>							
Issues of ordinary shares	8	50	-	-	(16)	-	42
Share-based payment transactions	-	-	-	-	3	3	3
Additional investment in subsidiaries	-	-	-	-	-	301	301
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	(266)	(266)
Total contributions by and distributions to equity holders	8	50	-	-	(13)	22	80
Total transactions with equity holders, recorded directly in equity	8	50	-	-	(13)	22	80
Comprehensive income for the period							
Profit for the period	-	-	4,323	-	-	-	4,323
Defined benefit plan actuarial losses, net of tax	-	-	(30)	-	-	-	(30)
Exchange differences on translating financial statements	-	-	-	(244)	-	(244)	(244)
Total comprehensive income for the period			4,293	(244)	-	(244)	4,049
Balance at 31 December 2014	47,322	422,563	4,503	2,637	28	(3,166)	564,165
							1,769
							565,934

Note share capital Appropriated Unappropriated

(in thousand US Dollar)

The accompanying notes are integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Consolidated financial statements										
	Issued and paid-up share capital	Premium on share capital	Retained earnings	Currency translation differences	Share-based payment ownership interests of equity	Total other components of equity	Equity attributable to Non-controlling interests	Total equity			
Period from 1 October 2014 to 31 December 2014	1,413,081	13,557,016	141,670	2,799,640	327,976	1,290	(112,700)	216,566	18,127,973	60,187	18,188,160
Balance at 1 October 2014											
Transactions with equity holders, recorded directly in equity											
<i>Contributions by and distributions to equity holders</i>											
Issues of ordinary shares	20	248	1,597	-	-	(512)	-	(512)	1,333	-	1,333
Share-based payment transactions	34	-	-	-	-	96	-	96	96	-	96
Additional investment in subsidiaries		-	-	-	-	-	9,985	9,985	9,985	-	9,985
Acquisition of non-controlling interests without a change in control	4	-	-	-	-	-	(8,768)	(8,768)	(8,768)	(890)	(9,658)
Total contributions by and distributions to equity holders	248	1,597	-	-	-	(416)	1,217	801	2,646	(890)	1,756
Total transactions with equity holders, recorded directly in equity	248	1,597	-	-	-	(416)	1,217	801	2,646	(890)	1,756
Comprehensive income for the period											
Profit for the period		-	-	141,407	-	-	-	-	141,407	621	142,028
Defined benefit plan actuarial losses, net of tax	19	-	-	(981)	-	-	-	-	(981)	(33)	(1,014)
Exchange differences on translating financial statements		-	-	-	324,345	-	-	324,345	-	(393)	323,952
Total comprehensive income for the period				140,426	324,345	-	-	324,345	464,771	195	464,966
Balance at 31 December 2014	1,413,329	13,558,613	141,670	2,940,066	652,321	874	(111,483)	541,712	18,595,390	59,492	18,654,882

The accompanying notes are integral part of these financial statements.

19 CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

	Separate financial statements					Total equity
	Issued and paid-up share capital	Premium on share capital	Differences arising from common control transactions	Retained earnings	Other components of equity	
				Appropriated	Unappropriated	
				<i>(in thousand US Dollar)</i>		
Year ended 30 September 2014						
Balance at 1 October 2013	45,429	411,613	-	4,314	22,260	27
Transactions with equity holders, recorded directly in equity						
<i>Contributions by and distributions to equity holders</i>						
Issues of ordinary shares	20	1,885	10,900	-	-	-
Share-based payment transactions	34	-	-	-	-	14
Dividends paid	30	-	-	-	(12,152)	-
Total contributions by and distributions to equity holders		1,885	10,900	-	(12,152)	14
Total transactions with equity holders recorded directly in equity		1,885	10,900	-	(12,152)	14
Comprehensive income for the year						
Profit for the year		-	-	-	(2,690)	-
Defined benefit plan actuarial gains, net of tax	19	-	-	-	94	-
Total comprehensive income for the year		-	-	-	(2,596)	-
Transfer to legal reserve	21	-	-	189	(189)	-
Changes in ownership interests in associates	12	-	(7,406)	-	-	-
Balance at 30 September 2014	47,314	422,513	(7,406)	4,503	7,323	41
						474,288

The accompanying notes are integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Separate financial statements					Total equity
	Issued and paid-up share capital	Premium on share capital	Differences arising from common control transactions	Retained earnings	Other components of equity	
Period from 1 October 2014 to 31 December 2014						
Balance at 1 October 2014	47,314	422,513	(7,406)	4,503	7,323	41
Transactions with equity holders, recorded directly in equity						
<i>Contributions by and distributions to equity holders</i>						
Issues of ordinary shares	8	50	-	-	-	(16)
Share-based payment transactions	-	-	-	-	-	3
Total contributions by and distributions to equity holders	8	50	-	-	-	(13)
Total transactions with equity holders recorded directly in equity	8	50	-	-	-	(13)
Comprehensive income for the period						
Profit for the period	-	-	-	-	4,825	-
Defined benefit plan actuarial losses, net of tax	-	-	-	-	(19)	-
Total comprehensive income for the period	-	-	-	-	4,806	-
Balance at 31 December 2014	47,322	422,563	(7,406)	4,503	12,129	28

Note share capital transactions (in thousand US Dollar)

The accompanying notes are integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Separate financial statements						Total equity		
	Retained earnings			Other components of equity					
	Issued and paid-up share capital	Premium on share capital	Differences arising from common transactions	Unappropriated Appropriated	Currency translation differences	Share-based payment of equity			
Year ended 30 September 2014	1,354,440	13,219,720	-	135,444	741,197	(269,736)	828	(268,908)	15,181,893
Balance at 1 October 2013	58,641	337,296	-	-	-	-	-	-	395,937
Transactions with equity holders, recorded directly in equity	-	-	-	-	-	-	462	462	462
<i>Contributions by and distributions to equity holders</i>	-	-	-	-	(371,640)	-	-	-	(371,640)
Issues of ordinary shares	58,641	337,296	-	-	-	-	-	-	395,937
Share-based payment transactions	-	-	-	-	-	-	462	462	462
Dividends paid	-	-	-	-	(371,640)	-	-	-	(371,640)
Total contributions by and distributions to equity holders	58,641	337,296	-	-	(371,640)	-	462	462	24,759
Total transactions with equity holders recorded directly in equity	58,641	337,296	-	-	(371,640)	-	462	462	24,759
Comprehensive income for the year	-	-	-	-	(86,711)	-	-	-	(86,711)
Profit for the year	-	-	-	-	(86,711)	-	-	-	(86,711)
Defined benefit plan actuarial gains, net of tax	-	-	-	-	3,030	-	-	-	3,030
Exchange differences on translating financial statements	-	-	-	-	-	471,053	-	471,053	471,053
Total comprehensive income for the year	-	-	-	-	(83,681)	471,053	-	471,053	387,372
Transfer to legal reserve	-	-	-	6,226	(6,226)	-	-	-	-
Changes in ownership interests in associates	-	-	(239,757)	-	-	-	-	-	(239,757)
Balance at 30 September 2014	1,413,081	13,557,016	(239,757)	141,670	279,650	201,317	1,290	202,607	15,354,267

The accompanying notes are integral part of these financial statements.

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

	Consolidated financial statements			
	Period from		Period from	
	1 October 2014	Year ended	1 October 2014	Year ended
	to 31 December	30 September	to 31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Cash flows from operating activities				
Profit for the period / year	4,342	45,276	142,028	1,459,458
<i>Adjustments for:</i>				
Depreciation	7,497	29,023	245,231	935,548
Amortisation	612	2,492	20,019	80,329
Interest income	(103)	(504)	(3,369)	(16,246)
Finance costs	859	3,885	28,098	125,232
Share-based payment	3	14	96	462
Loss from supplies and spare parts obsolescence	6	790	196	25,465
Net gain on disposals and write-offs				
of property, plant and equipment and intangible assets	(167)	(7)	(5,463)	(226)
Impairment losses in property, plant and equipment	1,507	-	49,295	-
Unrealised gain on exchange rates	(355)	(1,605)	(11,612)	(51,737)
Employee benefit obligations	227	403	7,425	12,991
Loss from write-off of outstanding withholding taxes	2,034	3,942	66,533	127,069
Share of profit of associates	(6,873)	(31,059)	(224,819)	(1,001,178)
Share of profit of jointly-controlled entity	(153)	(262)	(5,005)	(8,445)
Exchange rate (gain) loss from translating				
financial statements	(255)	(452)	27,600	134,141
Income tax expense	2,726	5,151	89,169	166,041
Cash flows from operations before changes				
in operating assets and liabilities	11,907	57,087	425,422	1,988,904
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(930)	(20,007)	(30,656)	(647,693)
Receivables from related parties	25	336	824	10,877
Other receivables	1,662	781	54,785	25,284
Supplies and spare parts	214	(1,313)	7,054	(42,506)
Other non-current assets	30	73	989	2,363
Trade accounts payable	11,264	1,351	371,295	43,737
Other payables	3,447	1,392	112,536	45,064
Cash generated from operating activities	27,619	39,700	942,249	1,426,030
Finance costs paid	(844)	(3,815)	(27,608)	(122,975)
Income tax paid	(3,463)	(7,394)	(113,276)	(238,343)
Employee benefits paid	(49)	(60)	(1,603)	(1,934)
Net cash from operating activities	23,263	28,431	799,762	1,062,778

The accompanying notes are integral part of these financial statements.

STATEMENT OF CASH FLOWS

	Consolidated financial statements			
	Period from		Period from	
	1 October 2014	Year ended	1 October 2014	Year ended
	to 31 December	30 September	to 31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Cash flows from investing activities				
Interest received	185	453	6,098	14,665
Decrease (increase) in short-term deposit at financial institution	25,012	(25,012)	824,471	(809,721)
Payment for investments in subsidiaries	-	(1,145)	-	(36,909)
Proceeds from disposals of property, plant and equipment and intangible assets	236	251	7,779	8,126
Payment for purchases of property, plant and equipment	(10,214)	(77,393)	(336,684)	(2,505,467)
Payment for purchases of intangible assets	(54)	(564)	(1,780)	(18,259)
Net cash from (used in) investing activities	15,165	(103,410)	499,884	(3,347,565)
Cash flows from financing activities				
Repayments of finance lease liabilities	(9)	(43)	(297)	(1,392)
Repayments of long-term loans from financial institutions	(4,750)	(19,360)	(156,574)	(626,747)
Proceeds from issue of ordinary shares	42	12,785	1,334	395,937
Dividends paid to shareholders	-	(12,152)	-	(371,640)
Net cash used in financing activities	(4,717)	(18,770)	(155,537)	(603,842)
Net increase (decrease) in cash and cash equivalents	33,711	(93,749)	1,144,109	(2,888,629)
Cash and cash equivalents at 1 October	55,841	148,819	1,807,757	4,671,533
Effects of exchange rates	(144)	771	(4,710)	24,853
Cash and cash equivalents at 31 December and 30 September	89,408	55,841	2,947,156	1,807,757
Non-cash transactions				
Accrued liabilities for purchases of property, plant and equipment	2,431	1,323	80,331	42,830
Accrued liabilities for share purchase consideration in subsidiaries	1,739	2,040	57,323	66,042
Finance lease agreements to purchases of equipment	63	72	2,077	2,331

The accompanying notes are integral part of these financial statements.

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

Separate financial statements

	Period from		Period from	
	1 October 2014 to 31 December 2014	Year ended 30 September 2014	1 October 2014 to 31 December 2014	Year ended 30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Cash flows from operating activities				
Profit (loss) for the period / year	4,825	(2,690)	157,828	(86,711)
<i>Adjustments for:</i>				
Depreciation	116	471	3,794	15,183
Amortisation	8	30	262	967
Interest income	(1,217)	(4,909)	(39,809)	(158,240)
Dividend income	(9,600)	-	(314,021)	-
Share-based payment	3	14	96	462
Net gain on disposals and write-offs of property, plant and equipment and intangible assets	-	(8)	-	(258)
Unrealised loss on exchange rates	4,517	1,670	147,753	53,832
Employee benefit obligations	8	41	262	1,322
Exchange rate loss from translating financial statements	-	-	17,463	104,626
Income tax expense	46	1,135	1,505	36,586
Cash flows from operations before changes in operating assets and liabilities	(1,294)	(4,246)	(24,867)	(32,231)
<i>Changes in operating assets and liabilities</i>				
Receivables from related parties	(1,911)	(25,174)	(62,992)	(814,966)
Other receivables	(59)	24	(4,369)	777
Other non-current assets	-	(14)	-	(453)
Other payables	137	(285)	4,516	(9,227)
Cash used in operating activities	(3,127)	(29,695)	(87,712)	(856,100)
Income tax paid	(20)	(137)	(654)	(4,416)
Net cash used in operating activities	(3,147)	(29,832)	(88,366)	(860,516)

The accompanying notes are integral part of these financial statements.

STATEMENT OF CASH FLOWS

	Separate financial statements			
	Period from		Period from	
	1 October 2014	Year ended	1 October 2014	Year ended
	to 31 December	30 September	to 31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Cash flows from investing activities				
Interest received	1,282	4,875	42,259	157,820
Decrease (increase) in short-term deposit at financial institution	25,012	(25,012)	824,471	(809,721)
Short-term loans received from related parties	9,192	8,194	302,938	265,168
Payment for investments in subsidiaries	-	(44,000)	-	(1,424,425)
Proceeds from disposals of property, plant and equipment and intangible assets	-	8	-	259
Payment for purchases of property, plant and equipment	(17)	(22)	(561)	(712)
Payment for purchases of intangible assets	-	(101)	-	(3,270)
Net cash from (used in) investing activities	35,469	(56,058)	1,169,107	(1,814,881)
Cash flows from financing activities				
Repayments of finance lease liabilities	-	(6)	-	(194)
Proceeds from issue of ordinary shares	42	12,785	1,334	395,937
Dividends paid to shareholders	-	(12,152)	-	(371,640)
Net cash from financing activities	42	627	1,334	24,103
Net increase (decrease) in cash and cash equivalents	32,364	(85,263)	1,082,075	(2,651,294)
Cash and cash equivalents at 1 October	25,888	110,836	838,080	3,479,220
Effects of exchange rates	(20)	315	(654)	10,154
Cash and cash equivalents at 31 December and 30 September	58,232	25,888	1,919,501	838,080
Non-cash transactions				
Amount due from disposals of investments in associates under common control transactions	87,965	90,176	2,899,591	2,919,294
Dividend receivable	9,600	-	316,445	-

The accompanying notes are integral part of these financial statements.

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NOTES TO FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 27 February 2015.

1 General information

Mermaid Maritime Public Company Limited (the “Company”) is a public company limited 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 entity as at 31 December 2014 and 30 September 2014 were as follows:

Name of the entities	Nature of business	Country of incorporation	Direct/indirect Holding (%)	
			31 December 2014	30 September 2014
<i>Subsidiaries</i>				
Mermaid Subsea Services (Thailand) Ltd. (formerly Mermaid Offshore Services Ltd.), which has four subsidiaries as follows:	Subsea Service Provider, diving, ROV services and subsea contractor to the Offshore Oil and Gas industry	Thailand	100.0	100.0
Seascope Surveys (Thailand) Ltd.	Subsea Service Provider, hydrographic survey and positioning to the Offshore Oil and Gas industry	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	49.0	49.0
Mermaid Offshore Services Pte. Ltd.	Subsea Service Provider, diving, ROV services and subsea contractor to the Offshore Oil and Gas industry	Singapore	100.0	100.0
Mermaid Drilling Ltd., which has five subsidiaries as follows:	Production and exploration drilling services	Thailand	95.0	95.0
MTR - 1 Ltd.	Drilling services	Thailand	95.0	95.0
MTR - 2 Ltd.	”	Thailand	95.0	95.0

NOTES TO FINANCIAL STATEMENTS

Name of the entities	Nature of business	Country of incorporation	Direct/indirect Holding (%)	
			31 December 2014	30 September 2014
	Drilling services			
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
Mermaid Drilling (Singapore) Pte. Ltd.	Production and exploration drilling services	Singapore	100.0	100.0
MTR - 3 (Singapore) Pte. Ltd.	"	Singapore	100.0	100.0
MTR - 4 (Singapore) Pte. Ltd.**	"	Singapore	100.0	100.0
Mermaid MTN Pte. Ltd. (formerly MTR - 5 (Singapore) Pte. Ltd.)**	"	Singapore	100.0	100.0
Mermaid Maritime Mauritius Ltd.***, which has one subsidiary as follows:	Investment holding	Mauritius	100.0	100.0
Mermaid International Ventures****, which has three subsidiaries and four associates as follows:	"	Cayman	100.0	100.0
<i>Subsidiaries</i>				
Mermaid Subsea Services (International) Ltd., which has two subsidiaries as follows:	Subsea Service Provider, diving, ROV services and subsea contractor to the Offshore Oil and Gas industry	Seychelles	100.0	100.0
Subtech Saudi Arabia Limited	"	Saudi Arabia	95.0	70.0
Mermaid Subsea Services LLC (formerly Subtech Qatar Diving and Marine Services LLC) *	"	Qatar	49.0	49.0
<i>Associates</i>				
Asia Offshore Drilling Limited, which has three subsidiaries as follows:	Drilling services	Bermuda	33.76	33.76
Asia Offshore Rig 1 Limited	"	Bermuda	33.76	33.76
Asia Offshore Rig 2 Limited	"	Bermuda	33.76	33.76
Asia Offshore Rig 3 Limited	"	Bermuda	33.76	33.76
<i>Jointly-controlled entity</i>				
Zamil Mermaid Offshore Services Co. (LLC)	Inspection, installation, repair and maintenance services for Offshore Oil and Gas industry	Saudi Arabia	40.00	40.00

* Group interest is 100% after taking account of nominee holdings.

** MTR-4 (Singapore) Pte. Ltd. and Mermaid MTN Pte. Ltd. (formerly MTR-5 (Singapore) Pte. Ltd.) were incorporated in Singapore since 8 January 2014.

*** Mermaid Maritime Mauritius Ltd. was incorporated in Mauritius since 25 March 2014.

**** Mermaid International Ventures was incorporated in Cayman since 26 August 2014.

NOTES TO FINANCIAL STATEMENTS

2 Basis of preparation of the financial statements

(a) *Statement of compliance*

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS) and guidelines promulgated by the Federation of Accounting Professions (“FAP”).

The FAP has issued the following new and revised TFRS relevant to the Group’s operations and effective for annual accounting periods beginning on or after 1 January 2014:

TFRS	Topic
TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets
TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 10	Interim Financial Reporting and Impairment
TIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease

The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies. These changes have no material effect on the financial statements.

In addition to the above new TFRS, the FAP has issued a number of new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2015 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 36 to the financial statements.

(b) *Basis of measurement*

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position: the present value of the defined benefit obligation.

NOTES TO FINANCIAL STATEMENTS

(c) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are stated in US Dollar, which is the Company's functional currency, and Thai Baht, which is the Company's designated presentation currency and accordingly the Company has prepared financial statements in both US Dollar and Thai Baht. The basis of the translation from the functional currency (US Dollar) to the presentation currency (Thai Baht) is disclosed in note 3 (b).

(d) Use of estimates and judgements

The preparation of 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 estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Note 8	Provisions and contingencies
Note 13, 14	Key assumptions used in discounted cash flow projections
Note 16	Deferred Tax
Note 19	Measurement of defined benefit obligation
Note 27	Utilisation of tax losses
Note 31	Valuation of financial instruments
Note 33	Contingent liabilities
Note 34	Measurement of share-based payment

(e) Change in accounting period

At the extraordinary general meeting of shareholders of the Company held on 16 June 2014, the shareholders approved to change the Company's accounting period from beginning on 1 October and ending on 30 September to beginning on 1 January and ending on 31 December. The Company has completed the registration with the Department of Business Development, Ministry of Commerce for this change on 15 July 2014 and from the Revenue Department for this change on 17 September 2014. The Company's first accounting period following the change commenced on 1 October 2014 and ended on 31 December 2014. As a consequence, the financial reporting period ending on 31 December 2014 comprises a period of three months only. As such, the amounts presented in the statement of comprehensive income, changes in equity and cash flows as comparatives are not directly comparable.

NOTES TO FINANCIAL STATEMENTS

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and jointly-controlled entities.

Business combinations

The Group applies the acquisition method for all business combinations other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, other professional and consulting fees are expensed as incurred.

Acquisitions from entities under common control

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with Guidelines issued in 2009 by the FAP.

NOTES TO FINANCIAL STATEMENTS

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Jointly-controlled entities and associates (equity-accounted investees)

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

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investments in associates and jointly-controlled entities in the separate financial statements of the Company are accounted for using the cost method. Investments in associates and jointly-controlled entities in the consolidated financial statements are accounted for using the equity method.

The consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investees 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 made payments on behalf of the investee.

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

NOTES TO FINANCIAL STATEMENTS

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly-controlled entity are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies translations

Transactions and balances

Foreign currency transactions are translated into the respective functional currencies of group entities using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. All other foreign exchange gains and losses are presented in profit or loss within "gains (losses) on exchange rates".

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each financial position presented are translated at the closing rate at the date of the statement of financial position.
- (b) income and expenses for each income statement are translated at average exchange rate (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates on the dates of the transactions) and
- (c) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

(c) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

NOTES TO FINANCIAL STATEMENTS

(d) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(e) Supplies and spare parts

Vessel supplies and spare parts mainly comprise bunker, vessel supplies, and spare parts are stated at the lower of cost and net realisable value. Bunker supplies are determined on a first-in, first-out basis. Vessel supplies and spare parts are determined on a weighted average basis. Rig supplies and spare parts are determined on a weighted average basis.

(f) Investments

Investments in associates, subsidiaries and jointly-controlled entities

Investments in associates, subsidiaries and jointly-controlled entities in the separate financial statements of the Company are accounted for using the cost method. Investment in jointly-controlled entities and associates in the consolidated financial statements are accounted for using the equity method.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(g) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

NOTES TO FINANCIAL STATEMENTS

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit and loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings and building improvement	10 and 20 years
Offshore support vessels	5 to 30 years
Second-hand tender rigs	1 to 20 years
Motor launches	10 years
Tools and equipment	3 to 20 years
Office equipment	3 to 5 years
Motor vehicles	5 to 10 years

No depreciation is provided on freehold land or assets under construction.

The estimated useful lives of support vessels and tender rigs are based on their remaining useful lives at the acquisition date. Depreciation is calculated based on a component approach on the cost of the vessels and tender rigs less an estimated residual value.

Expenditures incurred during inspections, major repairs, or dry-docking are recognised in the carrying amount of property, plant, and equipment as a replacement if the recognition criteria are satisfied. Dry-docking costs are considered a separate component of the vessels' cost that have a different pattern of economic benefits and are therefore depreciated separately. Dry-docking expenses are amortised over the period until the next scheduled dry-docking up to a maximum of 5 years.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

NOTES TO FINANCIAL STATEMENTS

(h) *Intangible assets*

Goodwill

The measurement of goodwill at initial recognition is described in note 3(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Other intangible assets

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and impairment losses.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative years are as follows:

Software licenses	1, 3 and 5 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(i) *Impairment*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

NOTES TO FINANCIAL STATEMENTS

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) *Interest-bearing liabilities*

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(k) *Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

(l) *Employee benefits*

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

NOTES TO FINANCIAL STATEMENTS

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit or loss.

The Group recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

Termination benefits

Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting period, then they are discounted to their present value.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based payments

The grant-date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met.

NOTES TO FINANCIAL STATEMENTS

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(n) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Rendering of services

The Group recognises revenue as services are performed based upon (a) contracted day rates and the number of operating days during the period or (b) agreed service charge. When the arrangement contains a lease obligation, revenue is evenly recognised over the contract period.

Mobilisation activities related to drilling rig activity to mobilise a rig from one geographic area to another are linked to the underlying contracts. Certain contracts include mobilisation fees paid at the start of the contracts. Where the mobilisation fee covers a general or specific upgrade of a rig or equipment, the fee is recognised as revenue over the contract period. In cases where the fee covers specific operating expenses at the start up of the contract, the fee is recognised in the same period as the expenses.

Interest and dividend income

Interest income is recognised in profit or loss as it accrues. Dividend income is recognised in profit or loss on the date the Group's right to receive payment is established.

(o) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(p) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

NOTES TO FINANCIAL STATEMENTS

(q) *Income tax*

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

NOTES TO FINANCIAL STATEMENTS

(r) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(s) Business segment reporting

Segment results that are reported to the Group's Chief Operation Decision Maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 Acquisitions*Subtech Saudi Arabia Limited*

On 8 October 2014, Mermaid Subsea Services (International) Ltd., a wholly owned subsidiary of the Company, has increased its shareholding interest in Subtech Saudi Arabia Limited from 70% to 95% by acquiring additional shares from General Technology & Systems Co., Ltd, an existing shareholder of Subtech Saudi Arabia Limited. As a result, the Company holds 95% indirect interest in Subtech Saudi Arabia Limited. Total consideration was US Dollar 293,333 (or equivalent to Baht 9,577,322). The excess of consideration over the acquired net assets is recognised as an item under other components of equity.

The effect of changes in ownership interest in subsidiary that do not result in a loss of control is as follow:

	As at 31 December 2014	
	<i>(in thousand US Dollar)</i>	<i>(in thousand Baht)</i>
Consideration transferred	293	9,577
Translation adjustments	-	81
Non-controlling interest acquired	(27)	(890)
Excess of consideration over the acquired net assets	266	8,768

Seascope Surveys Pte. Ltd. and Seascope Surveys (Thailand) Ltd.

On 10 July 2012, Mermaid Subsea Services (Thailand) Ltd. (formerly Mermaid Offshore Services Ltd.) ("MSST") entered into a share purchase agreement with the shareholders of Seascope Surveys Pte. Ltd. ("SSPL") and Seascope Surveys (Thailand) Ltd. ("SSTL") to purchase 20% of the issued and paid-up share capital of SSPL and SSTL.

As a result of completion of the share acquisition, SSPL and SSTL have each become a wholly owned subsidiary of MSST. The first and second payment of US Dollar 1,806 thousand and US Dollar 1,145 thousand was paid in July 2012 and February 2014, respectively. The final payment of share purchase consideration payable amounting to US Dollar 1,739 thousand will be paid in February 2015.

NOTES TO FINANCIAL STATEMENTS

5 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 jointly 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

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

Transactions

Revenue from rendering of services
 Management fee income
 Interest income and interest expenses

 Rental income
 Cost of rendering of services
 Other administrative expenses
 Management benefit expenses

 Dividend income

Pricing policies

Prices normally charged to a third party
 Actual cost plus margin
 Market linked rate/the borrowing costs of the lender

 Prices normally charged to a third party
 Prices normally charged to a third party
 Actual cost plus margin
 Amount approved by the directors and/or the shareholders
 Right to receive dividends

NOTES TO FINANCIAL STATEMENTS

Significant transactions for the period from 1 October 2014 to 31 December 2014 and for the year ended 30 September 2014 with related parties were as follows:

	Consolidated financial statements			
	Period from 1 October 2014 to 31 December 2014 (in thousand US Dollar)	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 (in thousand Baht)	Year ended 30 September 2014
Parent				
Rental income	13	53	425	1,708
Other administrative expenses	12	16	393	516
Jointly-controlled entity				
Revenue from rendering of services	21,153	83,792	691,925	2,701,010
Other related parties				
Other administrative expenses	-	(8)	-	(258)
Key management personnel compensation				
Short-term employee benefits	268	1,030	8,766	33,202
Post-employment benefits and other long-term benefits	-	1	-	32

	Separate financial statements			
	Period from 1 October 2014 to 31 December 2014 (in thousand US Dollar)	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 (in thousand Baht)	Year ended 30 September 2014
Parent				
Rental income	13	53	425	1,708
Other administrative expenses	1	14	33	451
Subsidiaries				
Management fee income	479	1,486	15,668	47,901
Interest income	1,147	4,646	37,519	149,762
Rental income	108	252	3,533	8,123
Dividend income	9,600	-	314,021	-
Other administrative expenses	4	5	131	161
Other related parties				
Other administrative expenses	-	(8)	-	(258)
Key management personnel compensation				
Short-term employee benefits	175	630	5,725	20,308
Post-employment benefits and other long-term benefits	-	1	-	32

NOTES TO FINANCIAL STATEMENTS

Balances as at 31 December 2014 and 30 September 2014 with related parties were as follows:

	Consolidated financial statements			
	31 December 2014 <i>(in thousand US Dollar)</i>	30 September 2014	31 December 2014 <i>(in thousand Baht)</i>	30 September 2014
<i>Trade accounts receivable from related parties</i>				
Jointly-controlled entity	33,202	44,074	1,094,438	1,426,821
Total	33,202	44,074	1,094,438	1,426,821
<i>Receivables from related parties</i>				
Parent	4	5	132	162
Total	4	5	132	162
<i>Payables to related parties</i>				
Parent	4	2	132	65
Total	4	2	132	65
	Separate financial statements			
	31 December 2014 <i>(in thousand US Dollar)</i>	30 September 2014	31 December 2014 <i>(in thousand Baht)</i>	30 September 2014
<i>Receivables from related parties</i>				
Parent	4	5	132	162
Subsidiaries	37,074	35,342	1,222,070	1,144,138
Subsidiaries - transferred investments in associates under common control	87,965	90,176	2,899,591	2,919,294
Total	125,043	125,523	4,121,793	4,063,594
<i>Short-term loans to related parties</i>				
Subsidiaries	136,507	147,800	4,499,680	4,784,774
Total	136,507	147,800	4,499,680	4,784,774
<i>Dividend receivable</i>				
Subsidiaries	9,600	-	316,445	-
Total	9,600	-	316,445	-
<i>Payables to related parties</i>				
Subsidiaries	35,362	35,362	1,165,638	1,144,785
Total	35,362	35,362	1,165,638	1,144,785

NOTES TO FINANCIAL STATEMENTS

Movements of short-term loans to related parties, excluding interest receivables from related parties, during the period from 1 October 2014 to 31 December 2014 and for the year ended 30 September 2014 were as follows:

	Separate financial statements			
	2014 <i>(in thousand US Dollar)</i>	2014 <i>(in thousand US Dollar)</i>	2014 <i>(in thousand Baht)</i>	2014 <i>(in thousand Baht)</i>
<i>Subsidiaries</i>				
At 1 October	147,800	146,957	4,784,774	4,613,083
Conversion of accrued interest income to short-term loan	-	10,808	-	354,649
Decrease	(8,963)	(7,483)	(295,447)	(242,249)
Realised losses on exchange rates	(229)	(711)	(7,491)	(22,919)
Unrealised losses on exchange rates	(2,101)	(1,771)	(68,725)	(57,088)
Translation adjustments	-	-	86,569	139,298
At 31 December and 30 September	136,507	147,800	4,499,680	4,784,774

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

On 11 December 2013, the Company and a subsidiary have agreed to convert short-term loans amount of US Dollar 110.91 million and accrued interest of US Dollar 10.81 million, totaling of US Dollar 121.72 million to be the new principle of Baht 3,879.98 million. The conversion rate was the average rate announced by Bank of Thailand on the effective date.

6 Cash and cash equivalents

	Consolidated financial statements			
	31 December 2014 <i>(in thousand US Dollar)</i>	30 September 2014 <i>(in thousand US Dollar)</i>	31 December 2014 <i>(in thousand Baht)</i>	30 September 2014 <i>(in thousand Baht)</i>
Cash on hand	130	146	4,285	4,726
Cash at bank	89,278	55,695	2,942,871	1,803,031
Total	89,408	55,841	2,947,156	1,807,757

	Separate financial statements			
	31 December 2014 <i>(in thousand US Dollar)</i>	30 September 2014 <i>(in thousand US Dollar)</i>	31 December 2014 <i>(in thousand Baht)</i>	30 September 2014 <i>(in thousand Baht)</i>
Cash on hand	2	2	66	65
Cash at bank	58,230	25,886	1,919,435	838,015
Total	58,232	25,888	1,919,501	838,080

NOTES TO FINANCIAL STATEMENTS

7 Short-term deposit at financial institution

	Consolidated/Separate financial statements			
	31 December	30 September	31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Short-term deposit at financial institution	-	25,012	-	809,721
Total	-	25,012	-	809,721

Short-term deposit (6 months) at financial institution with interest rate of 0.77% per annum and matured on 10 November 2014.

8 Trade accounts receivable

	Note	Consolidated financial statements			
		31 December	30 September	31 December	30 September
		2014	2014	2014	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Jointly-controlled entity	5	33,202	44,074	1,094,438	1,426,821
Other parties		62,022	53,728	2,044,431	1,739,352
Accrued income		15,555	12,048	512,739	390,034
Total		110,779	109,850	3,651,608	3,556,207

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements			
	31 December	30 September	31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Within credit terms	72,990	56,478	2,405,969	1,828,379
Overdue:				
Less than 3 months	30,683	38,596	1,011,404	1,249,480
3-6 months	6,508	14,232	214,523	460,737
6-12 months	589	535	19,415	17,320
Over 12 months	9	9	297	291
Total	110,779	109,850	3,651,608	3,556,207

The normal credit term granted by the Group ranges from 30 days to 60 days.

NOTES TO FINANCIAL STATEMENTS

9 Other receivables

	Consolidated financial statements			
	31 December	30 September	31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Prepaid expenses	4,626	2,930	152,487	94,854
Value added tax refundable	3,403	3,284	112,173	106,313
Advances for business expenses	2,951	3,080	97,274	99,710
Withholding taxes	1,641	1,841	54,092	59,599
Deferred mobilisation cost	1,631	4,371	53,763	141,504
Input taxes awaiting invoice	1,329	1,305	43,808	42,247
Advances to employees	618	505	20,371	16,349
Accrued interest income	22	104	725	3,367
Others	1,071	1,016	35,303	32,891
Total	17,292	18,436	569,996	596,834

	Separate financial statements			
	31 December	30 September	31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Prepaid expenses	117	50	3,857	1,619
Accrued interest income	22	87	725	2,816
Value added tax refundable	4	4	132	129
Input taxes awaiting invoice	9	5	297	162
Others	19	11	626	356
Total	171	157	5,637	5,082

10 Deferred contract cost

	Consolidated financial statements			
	31 December	30 September	31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
At 1 October	6,282	8,321	203,369	261,202
Amortisation	(510)	(2,039)	(16,682)	(65,727)
Translation adjustments	-	-	3,575	7,894
At 31 December / 30 September	5,772	6,282	190,262	203,369

On 30 September 2012, US Dollar 9.3 million (equivalent to Baht 286.7 million) was paid by Mermaid Subsea Services (International) Ltd., a subsidiary of the Company, to General Technology & Systems Co., Ltd ("Gentas"). The payment consists of the following elements: (a) US Dollar 0.3 million (equivalent to Baht 9.2 million) as consideration for the acquisition of Gentas's 30% equity interest in Subtech Saudi Arabia; and (b) US Dollar 9.0 million (equivalent to Baht 277.5 million) as (i) compensation for loss of expected profits to Gentas, if not for the sale of its 30% equity interest in Subtech Saudi Arabia, pertaining to a recently awarded five-year inspection, repair, and maintenance contract with Saudi Aramco ("IRM Contract") worth more than US Dollar 530 million of revenues and (ii) as an advance payment for Gentas assistance to secure the IRM Contract.

NOTES TO FINANCIAL STATEMENTS

The US Dollar 9.0 million was related to securing the IRM Contract that was being executed by a jointly-controlled entity, Zamil Mermaid Offshore Services Co. (LLC) (“Zmos”), and was recognised as deferred contract costs. The deferred contract costs is amortised rateably over the period of execution of the contract, starting from the date revenue is first recognised, which is approximately five years. The total IRM Contract revenue over five years period is estimated to be approximately US Dollar 530 million. The Group’s estimated revenue is between 60 to 70 percent of the IRM Contract revenue over this period.

The IRM Contract was awarded to Zmos on 25 October 2012. Zmos was an established entity that the Group controls jointly with Zamil Offshore Services Co (“Zamil”). Zmos is billing Saudi Aramco at agreed rates in the IRM Contract, and the two partners are billing Zmos for the costs incurred in executing the IRM Contract.

11 Restricted deposit at financial institution

The restricted deposit at a financial institution is pledged against long-term loans with a local financial institution. The restricted deposit must be maintained at a minimum amount of the next two principal and interest payments after the two-year grace period expires in September 2013.

12 Investments in equity-accounted investees

Details as at 31 December 2014 and 30 September 2014 were as follows:

	Consolidated financial statements			
	2014 (in thousand US Dollar)	2014	2014 (in thousand Baht)	2014
Associates				
At 1 October	131,375	100,316	4,253,042	3,148,989
Share of net profits of equity-accounted associates	6,873	31,059	224,819	1,001,178
Translation adjustments	-	-	79,208	102,875
At 31 December / 30 September	138,248	131,375	4,557,069	4,253,042

	Consolidated financial statements			
	2014 (in thousand US Dollar)	2014	2014 (in thousand Baht)	2014
Jointly-controlled entity				
At 1 October	262	-	8,482	-
Share of net profits of equity-accounted jointly-controlled entity	153	262	5,005	8,445
Translation adjustments	-	-	193	37
At 31 December / 30 September	415	262	13,680	8,482

Total				
At 1 October	131,637	100,316	4,261,524	3,148,989
Share of net profits of equity-accounted investees	7,026	31,321	229,824	1,009,623
Translation adjustments	-	-	79,401	102,912
At 31 December / 30 September	138,663	131,637	4,570,749	4,261,524

NOTES TO FINANCIAL STATEMENTS

	Separate financial statements			
	2014 (in thousand US Dollar)	2014 (in thousand US Dollar)	2014 (in thousand Baht)	2014 (in thousand Baht)
Associates				
At 1 October	-	97,582	-	3,063,167
Transferred under common control transactions	-	(97,582)	-	(3,063,167)
At 31 December / 30 September	-	-	-	-
Jointly-controlled entity				
At 1 October	213	213	6,896	6,686
Translation adjustments	-	-	125	210
At 31 December / 30 September	213	213	7,021	6,896
Total				
At 1 October	213	97,795	6,896	3,069,853
Transferred under common control transactions	-	(97,582)	-	(3,063,167)
Translation adjustments	-	-	125	210
At 31 December / 30 September	213	213	7,021	6,896

Transferred investment in associates under common control transactions

On 26 September 2014, the Company agreed to transfer the investment in associates, Asia offshore Drilling Group, to a subsidiary, Mermaid International Ventures (book value US Dollar 97.58 million) for consideration received of Baht 2,899 million (or equivalent to US Dollar 90.18 million). Since these were transactions under common control, the Company recorded the differences between the carrying amount and consideration received from a subsidiary totalling US Dollar 7.41 million in "Differences arising from common control transactions" as a component in equity in the separate statement of changes in equity for the year ended 30 September 2014. Differences arising from common control transactions were eliminated in the consolidated financial statements.

As at 31 December 2014, the Company recorded an amount due from MIV amounting to Baht 2,899 million or equivalent to US Dollar 87.97 million (*30 September 2014 : US Dollar 90.18 million*) as receivables from related parties in the separate financial statements.

During the period from 1 October 2014 to 31 December 2014 there were no acquisitions or disposals of investment in equity-accounted investees.

Details of associates and jointly-controlled entity are as follows:

Name	Country of incorporation	Assets		Liabilities		Revenues		Profit		% Interest held		Profit sharing	
		31 December 2014	30 September 2014	31 December 2014	30 September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014	December 2014	September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014
Associates													
Group of AOD companies ^(a)	Bermuda	756,034	761,837	362,904	389,642	58,149	205,387	20,357	91,997	33.76%	33.76%	6,873	31,059
Jointly-controlled entity													
Zamil Mermaid Offshore Services Co. (LLC)	Saudi Arabia	34,571	40,721	32,999	39,532	33,951	112,231	383	655	40%	40%	153	262
Total		790,605	802,558	395,903	429,174	92,100	317,618	20,740	92,652			7,026	31,321

(in thousand US Dollar)

Name	Country of incorporation	Assets		Liabilities		Revenues		Profit		% Interest held		Profit sharing	
		December 2014	September 2014	December 2014	September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014	December 2014	September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014
Associates													
Group of AOD companies ^(A)	Bermuda	24,921,149	24,663,178	11,962,405	12,613,997	1,902,083	6,620,588	665,888	2,965,496	33.76%	33.76%	224,819	1,001,178
Jointly-controlled entity													
Zamil Mermaid Offshore Services Co. (LLC)	Saudi Arabia	1,139,564	1,318,273	1,087,746	1,279,781	1,110,554	3,617,733	12,528	21,113	40%	40%	5,005	8,445
Total		26,060,713	25,981,451	13,050,151	13,893,778	3,012,637	10,238,321	678,416	2,986,609			229,824	1,009,623

^(A) Group of AOD companies comprises three subsidiaries, which are Asia Offshore Rig 1 Limited, Asia Offshore Rig 2 Limited, and Asia Offshore Rig 3 Limited.

The Group has recognised its share of profit for the period from 1 October 2014 to 31 December 2014 of US Dollar 7.03 million (for the year ended 30 September 2014 : US Dollar 31.32 million) relating to certain investments accounted for using the equity method.

NOTES TO FINANCIAL STATEMENTS

13 Investments in subsidiaries

Details as at 31 December 2014 and 30 September 2014 were as follows:

	Separate financial statements			
	2014 <i>(in thousand US Dollar)</i>	2014 <i>(in thousand US Dollar)</i>	2014 <i>(in thousand Baht)</i>	2014 <i>(in thousand Baht)</i>
At 1 October	184,273	140,273	5,965,525	4,403,268
Increase	-	44,000	-	1,424,425
Translation adjustments	-	-	108,666	137,832
At 31 December / 30 September	184,273	184,273	6,074,191	5,965,525

Significant increase during the year ended 30 September 2014 were as follow:

On 8 January 2014, the Company registered MTR-4 (Singapore) Pte. Ltd. (“MTR-4”) for the operation and ownership of tender rigs. MTR-4 has a registered capital of US Dollar 22 million, comprising 22 million shares at par value of US Dollar 1 each. The Company invested in and fully paid-up the share capital, in portion of 100%, amounting to US Dollar 22 million.

On 8 January 2014, the Company registered Mermaid MTN Pte. Ltd. (MMS), formerly MTR-5 (Singapore) Pte. Ltd. (“MTR-5”), for offshore drilling and related services in the oil and gas industry. MMS has a registered capital of US Dollar 79, comprising 100 shares at par value of Singapore Dollar 1 each. The Company invested in and fully paid-up the share capital, in portion of 100%, amounting to US Dollar 79.

On 27 January 2014, the Company acquired 100% of the ordinary shares of MTR-3 (Singapore) Pte. Ltd. from Mermaid Drilling (Singapore) Pte. Ltd. at par value of US Dollar 100. At the extraordinary shareholders’ meeting on 29 January 2014 of MTR-3 (Singapore) Pte. Ltd., the Company approved to increase the authorised share capital from US Dollar 100 (comprising 100 shares at par value of US Dollar 1 each) by issue of new ordinary shares totalling 22 million shares at par value of US Dollar 1 each. The Company paid US Dollar 22 million for the share capital, in the proportion of investment of 100%.

On 25 March 2014, the Company registered Mermaid Maritime Mauritius Ltd. for investing in companies, whose objectives are to operate and own tender rigs. Mermaid Maritime Mauritius Ltd. has a registered capital of US Dollar 1. The Company invested in and fully paid-up the share capital, in portion of 100%, amounting to US Dollar 1.

On 26 August 2014, the Company registered Mermaid International Ventures for investing in companies, whose objectives are to operate and own tender rigs. Mermaid International Ventures has a registered capital of US Dollar 1. The Company invested in and fully paid-up the share capital, in portion of 100%, amounting to US Dollar 1. On 5 September 2014, Mermaid International Ventures increased its authorised share capital from US Dollar 1 (comprising 1 share at par value of US Dollar 1 each) by issue of new ordinary shares totalling 99 shares at par value of US Dollar 1 each. The Company paid US Dollar 99 for the share capital, in the proportion of investment of 100%.

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014
	31 December 2014	30 September 2014	31 December 2014	30 September 2014	31 December 2014	30 September 2014	31 December 2014	30 September 2014		
Direct subsidiaries										
Mermaid Subsea Services (Thailand) Ltd. (formerly Mermaid Offshore Services Ltd.)	83,343	83,343	83,343	83,343	-	-	83,343	83,343	-	-
Mermaid Drilling Ltd.	10,220	10,220	14,074	14,074	-	-	14,074	14,074	-	-
Mermaid Drilling (Singapore) Pte. Ltd.	51,000	51,000	51,000	51,000	(8,144)	(8,144)	42,856	42,856	-	-
MTR - 3 (Singapore) Pte. Ltd.	22,000	22,000	22,000	22,000	-	-	22,000	22,000	-	-
MTR - 4 (Singapore) Pte. Ltd.	22,000	22,000	22,000	22,000	-	-	22,000	22,000	-	-
Mermaid MTN Pte. Ltd. (formerly MTR - 5 (Singapore) Pte. Ltd.)	-	-	-	-	-	-	-	-	-	-
Mermaid Maritime Mauritius Ltd.	-	-	-	-	-	-	-	-	9,600	-
Total	188,563	188,563	192,417	192,417	(8,144)	(8,144)	184,273	184,273	9,600	-
Indirect subsidiaries										
Seascope Surveys (Thailand) Ltd.	1,019	1,019	840	1,110	(807)	(807)	33	303	-	-
Seascope Surveys Pte. Ltd.	-	-	14,268	14,299	-	-	14,268	14,299	-	-
PT Seascope Surveys Indonesia	800	800	200	200	-	-	200	200	-	-
Mermaid Offshore Services Pte. Ltd.	20,400	20,400	20,400	20,400	-	-	20,400	20,400	-	-

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income	
	31 December 2014	30 September 2014	31 December 2014	30 September 2014	31 December 2014	30 September 2014	31 December 2014	30 September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014
MTR - 1 Ltd.	6,255	6,255	6,255	6,255	-	-	6,255	6,255	-	-
MTR - 2 Ltd.	8,334	8,334	8,334	8,334	-	-	8,334	8,334	-	-
Mermaid Drilling (Malaysia) Sdn. Bhd.	164	164	164	164	(164)	(164)	-	-	-	-
MTR - 1 (Singapore) Pte. Ltd.	40	40	40	40	-	-	40	40	-	-
MTR - 2 (Singapore) Pte. Ltd.	-	-	-	-	-	-	-	-	-	-
Mermaid International Ventures	-	-	-	-	-	-	-	-	-	-
Mermaid Subsea Services (International) Ltd.	-	-	7,589	7,589	-	-	7,589	7,589	-	-
Subtech Saudi Arabia Limited	133	133	386	93	-	-	386	93	-	-
Mermaid Subsea Services LLC (formerly Subtech Qatar Diving and Marine Services LLC)	55	55	55	55	-	-	55	55	-	-
Total	37,200	37,200	58,528	58,536	(971)	(971)	57,557	57,565	-	-

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income	
	31 December 2014	30 September 2014	31 December 2014	30 September 2014	31 December 2014	30 September 2014	31 December 2014	30 September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014
Direct subsidiaries										
Mermaid Subsea Services (Thailand) Ltd. (formerly Mermaid Offshore Services Ltd.)	2,930,000	2,930,000	2,747,234	2,698,087	-	-	2,747,234	2,698,087	-	-
Mermaid Drilling Ltd.	410,000	410,000	463,920	455,620	-	-	463,920	455,620	-	-
Mermaid Drilling (Singapore) Pte. Ltd.	1,681,113	1,651,038	1,681,113	1,651,038	(268,451)	(263,649)	1,412,662	1,387,389	-	-
MTR - 3 (Singapore) Pte. Ltd.	725,186	712,213	725,186	712,213	-	-	725,186	712,213	-	-
MTR - 4 (Singapore) Pte. Ltd.	725,186	712,213	725,186	712,213	-	-	725,186	712,213	-	-
Mermaid MTN Pte. Ltd. (formerly MTR - 5 (Singapore) Pte. Ltd.)	3	3	3	3	-	-	3	3	-	-
Mermaid Maritime Mauritius Ltd.	-	-	-	-	-	-	-	-	314,021	-
Total	6,471,488	6,415,467	6,342,642	6,229,174	(268,451)	(263,649)	6,074,191	5,965,525	314,021	-
Indirect subsidiaries										
Seascope Surveys (Thailand) Ltd.	34,000	34,000	27,689	35,934	(26,601)	(26,125)	1,088	9,809	-	-
Seascope Surveys Pte. Ltd.	2	2	470,316	462,906	-	-	470,316	462,906	-	-
PT Seascope Surveys Indonesia	26,370	25,899	6,593	6,475	-	-	6,593	6,475	-	-
Mermaid Offshore Services Pte. Ltd.	672,445	660,415	672,445	660,415	-	-	672,445	660,415	-	-

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income	
	31 December 2014	30 September 2014	31 December 2014	30 September 2014	31 December 2014	30 September 2014	31 December 2014	30 September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014
MTR - 1 Ltd.	240,000	240,000	206,184	202,495	-	-	206,184	202,495	-	-
MTR - 2 Ltd.	350,000	350,000	274,714	269,799	-	-	274,714	269,799	-	-
Mermaid Drilling (Malaysia) Sdn. Bhd.	5,406	5,309	5,406	5,309	(5,406)	(5,309)	-	-	-	-
MTR - 1 (Singapore) Pte. Ltd.	1,319	1,295	1,319	1,295	-	-	1,319	1,295	-	-
MTR - 2 (Singapore) Pte. Ltd.	-	-	-	-	-	-	-	-	-	-
Mermaid International Ventures	3	3	3	3	-	-	3	3	-	-
Mermaid Subsea Services (International) Ltd.	-	-	250,057	245,584	-	-	250,057	245,584	-	-
Subtech Saudi Arabia Limited	4,384	4,306	12,724	3,011	-	-	12,724	3,011	-	-
Mermaid Subsea Services LLC (formerly Subtech Qatar Diving and Marine Services LLC)	1,813	1,781	1,813	1,781	-	-	1,813	1,781	-	-
Total	1,335,742	1,323,010	1,929,263	1,895,007	(32,007)	(31,434)	1,897,256	1,863,573	-	-

14 Property, plant and equipment

	Consolidated financial statements										
	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles	Offshore support vessels, and tender rigs	Dry-docking	Motor launches	Construction in process	Total
Cost											
At 1 October 2013	838	4,511	982	88,056	2,683	1,082	336,088	39,990	879	5,408	480,517
Additions	-	-	31	4,529	329	472	31	1,093	49	71,732	78,266
Transfers	-	-	2	6,942	8	81	-	-	92	(7,185)	(60)
Disposals	-	-	-	(37)	-	(100)	(1)	-	-	-	(138)
Write off	-	-	-	(597)	(155)	(19)	-	(11,222)	-	-	(11,993)
Translation adjustments	-	-	-	(51)	-	(1)	-	-	-	-	(52)
At 30 September 2014	838	4,511	1,015	98,842	2,865	1,515	336,118	29,861	1,020	69,955	546,540
Additions	-	-	11	2,149	105	-	-	1,639	8	7,410	11,322
Transfers	-	-	-	2,833	52	-	-	143	-	(3,028)	-
Disposals	-	-	-	(321)	-	(24)	-	-	-	-	(345)
Write off	-	-	-	(57)	(31)	-	-	-	-	(800)	(888)
Translation adjustments	-	-	-	(13)	-	-	-	-	-	-	(13)
At 31 December 2014	838	4,511	1,026	103,433	2,991	1,491	336,118	31,643	1,028	73,537	556,616

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	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles	Offshore support vessels, and tender rigs	Dry-docking	Motor launches	Construction in process	Total
Depreciation											
At 1 October 2013	-	(2,250)	(660)	(36,131)	(2,106)	(671)	(89,537)	(18,562)	(174)	-	(150,091)
Depreciation charge for the year	-	(277)	(104)	(8,898)	(326)	(200)	(13,444)	(5,592)	(182)	-	(29,023)
Disposals	-	-	-	22	-	99	1	-	-	-	122
Write off	-	-	-	572	153	19	-	11,222	-	-	11,966
Translation adjustments	-	-	-	44	-	-	-	-	-	-	44
At 30 September 2014	-	(2,527)	(764)	(44,391)	(2,279)	(753)	(102,980)	(12,932)	(356)	-	(166,982)
Depreciation charge for the period	-	(70)	(40)	(2,265)	(84)	(52)	(3,378)	(1,559)	(49)	-	(7,497)
Disposals	-	-	-	77	-	24	-	-	-	-	101
Write off	-	-	-	57	31	-	-	-	-	-	88
Translation adjustments	-	-	-	14	-	-	-	-	-	-	14
At 31 December 2014	-	(2,597)	(804)	(46,508)	(2,332)	(781)	(106,358)	(14,491)	(405)	-	(174,276)
Impairment losses											
At 1 October 2013	-	-	-	(625)	-	-	(1,893)	(53)	-	-	(2,571)
At 30 September 2014	-	-	-	(625)	-	-	(1,893)	(53)	-	-	(2,571)
Impairment losses	-	-	-	(11)	-	-	(1,482)	(67)	-	-	(1,560)
Reversal of impairment losses	-	-	-	-	-	-	-	53	-	-	53
At 31 December 2014	-	-	-	(636)	-	-	(3,375)	(67)	-	-	(4,078)
Net book value											
At 1 October 2013	838	2,261	322	51,300	577	411	244,658	21,375	705	5,408	327,855
At 30 September 2014	838	1,984	251	53,826	586	762	231,245	16,876	664	69,955	376,987
At 31 December 2014	838	1,914	222	56,289	659	710	226,385	17,085	623	73,537	378,262

Consolidated financial statements

Cost	Offshore support										Total
	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles	Offshore support vessels, and tender rigs	Dry-docking	Motor launches	Construction in process	
At 1 October 2013	26,305	141,603	30,826	2,764,139	84,221	33,965	10,550,038	1,255,314	27,592	169,761	15,083,764
Additions	-	-	1,004	146,619	10,651	15,280	1,004	35,384	1,586	2,322,202	2,533,730
Transfers	-	-	65	224,735	259	2,622	-	-	2,978	(232,602)	(1,943)
Disposals	-	-	-	(1,198)	-	(3,237)	(32)	-	-	-	(4,467)
Write off	-	-	-	(19,327)	(5,018)	(615)	-	(363,293)	-	-	(388,253)
Translation adjustments	824	4,433	964	84,874	2,637	1,031	330,239	39,294	865	5,313	470,474
At 30 September 2014	27,129	146,036	32,859	3,199,842	92,750	49,046	10,881,249	966,699	33,021	2,264,674	17,693,305
Additions	-	-	363	70,837	3,461	-	-	54,026	264	244,256	373,207
Transfers	-	-	-	93,384	1,714	-	-	4,714	-	(99,812)	-
Disposals	-	-	-	(10,581)	-	(791)	-	-	-	-	(11,372)
Write off	-	-	-	(1,879)	(1,022)	-	-	-	-	(26,370)	(29,271)
Translation adjustments	494	2,660	598	57,859	1,689	893	198,209	17,609	601	41,252	321,864
At 31 December 2014	27,623	148,696	33,820	3,409,462	98,592	49,148	11,079,458	1,043,048	33,886	2,424,000	18,347,733

	Consolidated financial statements										
	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles (in thousand Baht)	Offshore support vessels, and tender rigs	Dry-docking	Motor launches	Construction in process	Total
Depreciation											
At 1 October 2013	-	(70,629)	(20,716)	(1,134,178)	(66,109)	(21,063)	(2,810,629)	(582,674)	(5,462)	-	(4,711,460)
Depreciation charge for the year	-	(8,929)	(3,353)	(286,824)	(10,509)	(6,447)	(433,363)	(180,256)	(5,867)	-	(935,548)
Disposals	-	-	-	712	-	3,205	32	-	-	-	3,949
Write off	-	-	-	18,518	4,953	615	-	363,293	-	-	387,379
Translation adjustments	-	(2,249)	(665)	(35,312)	(2,114)	(687)	(89,842)	(19,015)	(196)	-	(150,080)
At 30 September 2014 and 1 October 2014	-	(81,807)	(24,734)	(1,437,084)	(73,779)	(24,377)	(3,333,802)	(418,652)	(11,525)	-	(5,405,760)
Depreciation charge for the period	-	(2,290)	(1,308)	(74,089)	(2,748)	(1,701)	(110,496)	(50,996)	(1,603)	-	(245,231)
Disposals	-	-	-	2,538	-	791	-	-	-	-	3,329
Write off	-	-	-	1,879	1,022	-	-	-	-	-	2,901
Translation adjustments	-	(1,508)	(460)	(26,287)	(1,365)	(457)	(61,581)	(8,019)	(222)	-	(99,899)
At 31 December 2014	-	(85,605)	(26,502)	(1,533,043)	(76,870)	(25,744)	(3,505,879)	(477,667)	(13,350)	-	(5,744,660)
Impairment losses											
At 1 October 2013	-	-	-	(19,619)	-	-	(59,423)	(1,664)	-	-	(80,706)
Translation adjustments	-	-	-	(614)	-	-	(1,860)	(52)	-	-	(2,526)
At 30 September 2014 and 1 October 2014	-	-	-	(20,233)	-	-	(61,283)	(1,716)	-	-	(83,232)
Impairment losses	-	-	-	(360)	-	-	(48,477)	(2,192)	-	-	(51,029)
Reversal of impairment losses	-	-	-	-	-	-	-	1,734	-	-	1,734
Translation adjustments	-	-	-	(371)	-	-	(1,490)	(35)	-	-	(1,896)
At 31 December 2014	-	-	-	(20,964)	-	-	(111,250)	(2,209)	-	-	(134,423)

NOTES TO FINANCIAL STATEMENTS

		Consolidated financial statements										
		Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles	Offshore support vessels, and tender rigs	Dry- docking	Motor launches	Construction in process	Total
<i>Net book value</i>												
At 1 October 2013		26,305	70,974	10,110	1,610,342	18,112	12,902	7,679,986	670,976	22,130	169,761	10,291,598
At 30 September 2014		27,129	64,229	8,125	1,742,525	18,971	24,669	7,486,164	546,331	21,496	2,264,674	12,204,313
At 31 December 2014		27,623	63,091	7,318	1,855,455	21,722	23,404	7,462,329	563,172	20,536	2,424,000	12,468,650

Security

As at 31 December 2014, the Group's property, plant and equipment with a net book value of US Dollar 178.5 million (30 September 2014: US Dollar 204.3 million) were registered to secure short-term and long-term facilities with financial institutions.

Separate financial statements

	Land	Buildings	Building improvement	Tools and equipment (in thousand US Dollar)	Office equipment	Motor vehicles	Construction in process	Total
Cost								
At 1 October 2013	838	4,511	600	58	1,729	129	55	7,920
Additions	-	-	-	7	65	-	10	82
Transfers	-	-	2	3	-	-	(65)	(60)
Disposals	-	-	-	-	-	(42)	-	(42)
At 30 September 2014 and 1 October 2014	838	4,511	602	68	1,794	87	-	7,900
Additions	-	-	4	2	9	-	2	17
Transfers	-	-	-	-	2	-	(2)	-
At 31 December 2014	838	4,511	606	70	1,805	87	-	7,917
Depreciation								
At 1 October 2013	-	(2,249)	(505)	(19)	(1,411)	(117)	-	(4,301)
Depreciation charge for the year	-	(278)	(17)	(10)	(156)	(10)	-	(471)
Disposals	-	-	-	-	-	42	-	42
At 30 September 2014 and 1 October 2014	-	(2,527)	(522)	(29)	(1,567)	(85)	-	(4,730)
Depreciation charge for the period	-	(70)	(4)	(3)	(37)	(2)	-	(116)
At 31 December 2014	-	(2,597)	(526)	(32)	(1,604)	(87)	-	(4,846)
Net book value								
At 1 October 2013	838	2,262	95	39	318	12	55	3,619
At 30 September 2014 and 1 October 2014	838	1,984	80	39	227	2	-	3,170
At 31 December 2014	838	1,914	80	38	201	-	-	3,071

Separate financial statements

	Land	Buildings	Building improvement	Tools and equipment (in thousand Baht)	Office equipment	Motor vehicles	Construction in process	Total
Cost								
At 1 October 2013	26,305	141,603	18,835	1,821	54,275	4,049	1,726	248,614
Additions	-	-	-	227	2,104	-	324	2,655
Transfers	-	-	64	97	-	-	(2,104)	(1,943)
Disposals	-	-	-	-	-	(1,360)	-	(1,360)
Translation adjustments	824	4,433	589	56	1,699	127	54	7,782
At 30 September 2014 and 1 October 2014	27,129	146,036	19,488	2,201	58,078	2,816	-	255,748
Additions	-	-	132	66	297	-	66	561
Transfers	-	-	-	-	66	-	(66)	-
Translation adjustments	494	2,660	356	40	1,057	52	-	4,659
At 31 December 2014	27,623	148,696	19,976	2,307	59,498	2,868	-	260,968
Depreciation								
At 1 October 2013	-	(70,598)	(15,852)	(596)	(44,292)	(3,673)	-	(135,011)
Depreciation charge for the year	-	(8,961)	(549)	(322)	(5,029)	(322)	-	(15,183)
Disposals	-	-	-	-	-	1,354	-	1,354
Translation adjustments	-	(2,248)	(497)	(21)	(1,408)	(111)	-	(4,285)
At 30 September 2014 and 1 October 2014	-	(81,807)	(16,898)	(939)	(50,729)	(2,752)	-	(153,125)
Depreciation charge for the period	-	(2,290)	(131)	(98)	(1,210)	(65)	-	(3,794)
Translation adjustments	-	(1,508)	(309)	(18)	(934)	(51)	-	(2,820)
At 31 December 2014	-	(85,605)	(17,338)	(1,055)	(52,873)	(2,868)	-	(159,739)
Net book value								
At 1 October 2013	26,305	71,005	2,983	1,225	9,983	376	1,726	113,603
At 30 September 2014 and 1 October 2014	27,129	64,229	2,590	1,262	7,349	64	-	102,623
At 31 December 2014	27,623	63,091	2,638	1,252	6,625	-	-	101,229

NOTES TO FINANCIAL STATEMENTS

15 Intangible assets

Consolidated financial statements

	Computer software	
	<i>(in thousand US Dollar)</i>	<i>(in thousand Baht)</i>
Cost		
At 1 October 2013	1,658	52,045
Additions	538	17,417
Transfers	60	1,943
Write off	(148)	(4,791)
Translation adjustments	(20)	982
At 30 September 2014 and 1 October 2014	2,088	67,596
Additions	20	659
Write off	(1)	(33)
Translation adjustments	(6)	1,033
At 31 December 2014	2,101	69,255
Amortisation		
At 1 October 2013	(1,353)	(42,471)
Amortisation for the year	(453)	(14,602)
Write off	137	4,435
Translation adjustments	17	(843)
At 30 September 2014 and 1 October 2014	(1,652)	(53,481)
Amortisation for the period	(102)	(3,337)
Write off	1	33
Translation adjustments	5	(834)
At 31 December 2014	(1,748)	(57,619)
Net book value		
At 1 October 2013	305	9,574
At 30 September 2014 and 1 October 2014	436	14,115
At 31 December 2014	353	11,636

NOTES TO FINANCIAL STATEMENTS

	Separate financial statements	
	(in thousand US Dollar)	(in thousand Baht)
Cost		
At 1 October 2013	339	10,641
Additions	41	1,327
Transfers	60	1,943
Translation adjustments	-	333
At 30 September 2014 and 1 October 2014	440	14,244
Translation adjustments	-	259
At 31 December 2014	440	14,503
Amortisation		
At 1 October 2013	(305)	(9,574)
Amortisation for the year	(30)	(967)
Translation adjustments	-	(304)
At 30 September 2014 and 1 October 2014	(335)	(10,845)
Amortisation for the period	(8)	(262)
Translation adjustments	-	(199)
At 31 December 2014	(343)	(11,306)
Net book value		
At 1 October 2013	34	1,067
At 30 September 2014 and 1 October 2014	105	3,399
At 31 December 2014	97	3,197

16 Deferred tax

Deferred tax assets and liabilities as at 31 December 2014 and 30 September 2014 were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
	<i>(in thousand US Dollar)</i>			
Total	2,746	2,298	(3,496)	(2,255)
Set off of tax	(200)	(48)	200	48
Net deferred tax assets (liabilities)	2,546	2,250	(3,296)	(2,207)

	Consolidated financial statements			
	Assets		Liabilities	
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
	<i>(in thousand Baht)</i>			
Total	90,516	74,394	(115,238)	(73,002)
Set off of tax	(6,592)	(1,554)	6,592	1,554
Net deferred tax assets (liabilities)	83,924	72,840	(108,646)	(71,448)

NOTES TO FINANCIAL STATEMENTS

Separate financial statements

	Assets		Liabilities	
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
		<i>(in thousand US Dollar)</i>		
Total	25	-	-	-
Net deferred tax assets	25	-	-	-

Separate financial statements

	Assets		Liabilities	
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
		<i>(in thousand Baht)</i>		
Total	824	-	-	-
Net deferred tax assets	824	-	-	-

Movements in total deferred tax assets and liabilities during the period / year were as follows:

Consolidated financial statements

	(Charged) / Credited to :			At 31 December 2014
	At 1 October 2014	Profit or loss (note 27)	Other comprehensive income	
		<i>(in thousand US Dollar)</i>		
Deferred tax assets				
Property, plant and equipment	94	13	-	107
Provisions	212	495	-	707
Retirement benefits obligation	209	260	(31)	438
Loss carry forward	1,783	(289)	-	1,494
Total	2,298	479	(31)	2,746
Deferred tax liabilities				
Property, plant and equipment	(2,255)	(19)	-	(2,274)
Share of net profits of equity- accounted associates	-	(1,222)	-	(1,222)
Total	(2,255)	(1,241)	-	(3,496)
Net	43	(762)	(31)	(750)

NOTES TO FINANCIAL STATEMENTS

	Consolidated financial statements (Charged) / Credited to :				At 31 December 2014
	At 1 October 2014	Profit or loss (note 27)	Other comprehensive income	Translation adjustments	
<i>(in thousand Baht)</i>					
Deferred tax assets					
Property, plant and equipment	3,043	425	-	59	3,527
Provisions	6,863	16,192	-	250	23,305
Retirement benefits obligation	6,766	8,504	(1,014)	182	14,438
Loss carry forward	57,722	(9,453)	-	977	49,246
Total	74,394	15,668	(1,014)	1,468	90,516
Deferred tax liabilities					
Property, plant and equipment	(73,002)	(622)	-	(1,334)	(74,958)
Share of net profits of equity- accounted associates	-	(39,972)	-	(308)	(40,280)
Total	(73,002)	(40,594)	-	(1,642)	(115,238)
Net	1,392	(24,926)	(1,014)	(174)	(24,722)

	Consolidated financial statements (Charged) / Credited to :			At 30 September 2014
	At 1 October 2013	Profit or loss (note 27)	Other comprehensive income	
<i>(in thousand US Dollar)</i>				
Deferred tax assets				
Property, plant and equipment	101	(7)	-	94
Provisions	-	212	-	212
Retirement benefits obligation	204	42	(37)	209
Loss carry forward	1,813	(30)	-	1,783
Total	2,118	217	(37)	2,298
Deferred tax liabilities				
Property, plant and equipment	(2,087)	(168)	-	(2,255)
Total	(2,087)	(168)	-	(2,255)
Net	31	49	(37)	43

NOTES TO FINANCIAL STATEMENTS

	Consolidated financial statements (Charged) / Credited to :				At 30 September 2014
	At 1 October 2013	Profit or loss (note 27)	Other comprehensive income	Translation adjustments	
	<i>(in thousand Baht)</i>				
Deferred tax assets					
Property, plant and equipment	3,170	(225)	-	98	3,043
Provisions	-	6,833	-	30	6,863
Retirement benefits obligation	6,405	1,353	(1,193)	201	6,766
Loss carry forward	56,910	(967)	-	1,779	57,722
Total	66,485	6,994	(1,193)	2,108	74,394
Deferred tax liabilities					
Property, plant and equipment	(65,512)	(5,414)	-	(2,076)	(73,002)
Total	(65,512)	(5,414)	-	(2,076)	(73,002)
Net	973	1,580	(1,193)	32	1,392

	Separate financial statements (Charged) / Credited to :			At 31 December 2014
	At 1 October 2014	Profit or loss (note 27)	Other comprehensive income	
	<i>(in thousand US Dollar)</i>			
Deferred tax assets				
Retirement benefits obligation	-	44	(19)	25
Total	-	44	(19)	25

	Separate financial statements (Charged) / Credited to :				At 31 December 2014
	At 1 October 2014	Profit or loss (note 27)	Other comprehensive income	Translation adjustments	
	<i>(in thousand Baht)</i>				
Deferred tax assets					
Retirement benefits obligation	-	1,440	(621)	5	824
Total	-	1,440	(621)	5	824

NOTES TO FINANCIAL STATEMENTS

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated financial statements			
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Tax losses	4,558	5,742	150,245	189,273
Impairment losses on property, plant and equipment	504	514	16,613	16,640
Total	5,062	6,256	166,858	205,913

	Separate financial statements			
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Impairment losses on investments in subsidiaries	1,629	1,629	53,697	52,736
Total	1,629	1,629	53,697	52,736

As at 31 December 2014, the Group had temporary differences arising from the unutilised tax losses carry forward which have not been recognised as deferred tax assets because it is not probable that the Group will be able to utilise the tax benefit in the foreseeable future. The tax losses will expire in 2018.

17 Interest-bearing liabilities

	Consolidated financial statements			
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current				
Current portion of long-term loans from financial institutions				
Secured	5,890	7,885	194,152	255,263
Unsecured	3,000	3,000	98,889	97,120
Current portion of long-term loans	8,890	10,885	293,041	352,383
Current portion of finance lease liabilities	35	31	1,154	1,004
Total current interest-bearing liabilities	8,925	10,916	294,195	353,387

NOTES TO FINANCIAL STATEMENTS

	Consolidated financial statements			
	31 December	30 September	31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Non-current				
Long-term loans from financial institutions				
Secured	97,395	99,368	3,210,431	3,216,870
Unsecured	6,375	7,125	210,140	230,660
Long-term loans	103,770	106,493	3,420,571	3,447,530
Finance lease liabilities	18	31	593	1,004
Total non-current interest-bearing liabilities	103,788	106,524	3,421,164	3,448,534

The period to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December 2014 and 30 September 2014 were as follow:

	Consolidated financial statements			
	31 December	30 September	31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Within one year	8,890	10,885	293,041	352,383
After one year but within five years	51,935	49,685	1,711,933	1,608,467
After five years	51,835	56,808	1,708,638	1,839,063
Total	112,660	117,378	3,713,612	3,799,913

The movement of long-term loans from financial institutions were summarised as follows:

	Consolidated financial statements			
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
At 1 October	117,378	136,614	3,799,913	4,288,409
Repayments during year	(4,750)	(19,360)	(156,574)	(626,747)
Amortisation to profit and loss (front end fee)	32	124	1,047	3,997
Translation adjustments	-	-	69,226	134,254
At 31 December / 30 September	112,660	117,378	3,713,612	3,799,913

The currency denomination of long-term loans from financial institutions as at 31 December 2014 and 30 September 2014 were as follows:

Currencies:	Consolidated financial statements	
	31 December 2014	30 September 2014
Thousand US Dollar	113,375	118,125

NOTES TO FINANCIAL STATEMENTS

Long-term loans from financial institutions comprise:

Loans for the purchase of support vessels were granted by commercial banks and were denominated in US Dollar, having a total outstanding balance of US Dollar 113.38 million as at 31 December 2014 (30 September 2014: US Dollar 115.13 million) with repayment terms within 8 to 10 years. These loans bore interest at the rate of USD-LIBOR plus a certain margin, were secured by mortgages of support vessels as mentioned in note 14 and were guaranteed by the Company.

According to a condition of the loan agreements for all asset acquisitions, the Company and its subsidiaries were not allowed to create any encumbrance on the assets which were used as collateral, except for encumbrances created with the prior consent of the banks and permitted liens. The Company and its subsidiaries must comply with other conditions and restrictions stated in the term loan agreements.

Finance lease liabilities

Finance lease liabilities as at 31 December 2014 and 30 September 2014 were payable as follows:

	Consolidated financial statements					
	31 December 2014			30 September 2014		
	Future minimum lease payments	Interest	Present value of minimum lease payments (in thousand US Dollar)	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	35	-	35	31	-	31
After one year but within five years	28	(10)	18	41	(10)	31
Total	63	(10)	53	72	(10)	62

	Consolidated financial statements					
	31 December 2014			30 September 2014		
	Future minimum lease payments	Interest	Present value of minimum lease payments (in thousand Baht)	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	1,154	-	1,154	1,004	-	1,004
After one year but within five years	923	(330)	593	1,327	(323)	1,004
Total	2,077	(330)	1,747	2,331	(323)	2,008

NOTES TO FINANCIAL STATEMENTS

Borrowing facilities

The Group and the Company have the following undrawn committed long-term borrowing facilities:

	Consolidated financial statements		Separate financial statements	
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
Fixed interest rate				
- expiring within one year				
Thousand Qatari Dollar	-	709	-	-

18 Other payables

	Consolidated financial statements				
	Note	31 December 2014	30 September 2014	31 December 2014	30 September 2014
		(in thousand US Dollar)		(in thousand Baht)	
Accrued project cost		11,262	8,886	371,229	287,669
Accrued salary		8,406	8,278	277,087	267,986
Accrued operating expenses		6,598	5,129	217,490	166,043
Non-trade accounts payable		4,749	2,263	156,541	73,261
Withholding tax payables		4,054	3,087	133,632	99,935
Accrued consulting fee		2,440	2,190	80,430	70,898
Advance received		2,219	24	73,145	777
Output tax awaiting invoice		1,321	1,357	43,544	43,931
Deferred mobilisation revenue		816	1,226	26,898	39,690
Accrued bonus		273	3,981	8,999	128,878
Payables to related parties	5	4	2	132	65
Others		1,557	3,053	51,323	98,835
Total		43,699	39,476	1,440,450	1,277,968

	Separate financial statements				
	Note	31 December 2014	30 September 2014	31 December 2014	30 September 2014
		(in thousand US Dollar)		(in thousand Baht)	
Payables to related parties	5	35,362	35,362	1,165,638	1,144,785
Accrued consulting fee		573	87	18,888	2,816
Non-trade accounts payable		366	151	12,064	4,888
Output tax awaiting invoice		156	160	5,142	5,180
Withholding tax payable		125	53	4,120	1,716
Accrued bonus		52	645	1,714	20,881
Advance received		18	18	593	583
Others		279	292	9,199	9,452
Total		36,931	36,768	1,217,358	1,190,301

NOTES TO FINANCIAL STATEMENTS

19 Employee benefit obligations

	Consolidated financial statements			
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Statement of financial position obligations for:				
Post-employment benefits				
Retirement benefit	2,899	2,721	95,560	88,088
Total	2,899	2,721	95,560	88,088

	Consolidated financial statements			
	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits				
Retirement benefit	227	403	7,425	12,991
Total	227	403	7,425	12,991
Recognised in other comprehensive income:				
Actuarial gains recognised in the period / year	-	340	-	10,960
Cumulative actuarial gain recognised	340	340	10,960	10,960

	Separate financial statements			
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Statement of financial position obligations for:				
Post-employment benefits				
Retirement benefit	131	123	4,318	3,982
Total	131	123	4,318	3,982

NOTES TO FINANCIAL STATEMENTS

	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht)</i>	Year ended 30 September 2014
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits				
Retirement benefit	8	41	262	1,322
Total	8	41	262	1,322
Recognised in other comprehensive income:				
Actuarial gains recognised in the period / year	-	94	-	3,030
Cumulative actuarial gain recognised	94	94	3,030	3,030

Thailand legal severance plan

The subsidiaries registered in Thailand provide employee benefit provisions based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

Retirement benefit

The statement of financial position obligation was determined as follows:

	Consolidated financial statements			
	31 December 2014 <i>(in thousand US Dollar)</i>	30 September 2014	31 December 2014 <i>(in thousand Baht)</i>	30 September 2014
Present value of unfunded obligations	3,239	3,061	106,520	99,048
Actuarial gains	(340)	(340)	(10,960)	(10,960)
Statement of financial position obligation	2,899	2,721	95,560	88,088

	Separate financial statements			
	31 December 2014 <i>(in thousand US Dollar)</i>	30 September 2014	31 December 2014 <i>(in thousand Baht)</i>	30 September 2014
Present value of unfunded obligations	225	217	7,348	7,012
Actuarial gains	(94)	(94)	(3,030)	(3,030)
Statement of financial position obligation	131	123	4,318	3,982

NOTES TO FINANCIAL STATEMENTS

Movement in the present value of the defined benefit obligations

	Consolidated financial statements			
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Defined benefit obligations at 1 October	2,721	1,711	88,088	53,709
Current service costs and interest	227	403	7,425	12,991
Reclassify from accrued expenses	-	1,007	-	32,600
Actuarial gains recognised in other comprehensive income	-	(340)	-	(10,960)
Benefits paid by the plan	(49)	(60)	(1,603)	(1,934)
Translation adjustments	-	-	1,650	1,682
Defined benefit obligations at 31 December / 30 September	2,899	2,721	95,560	88,088

	Separate financial statements			
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Defined benefit obligations at 1 October	123	176	3,982	5,525
Current service costs and interest	8	41	262	1,322
Actuarial gains recognised in other comprehensive income	-	(94)	-	(3,030)
Translation adjustments	-	-	74	165
Defined benefit obligations at 31 December / 30 September	131	123	4,318	3,982

Expenses recognised in profit or loss:

	Consolidated financial statements			
	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014	Year ended 30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current service costs	223	380	7,294	12,250
Interest on obligation	4	23	131	741
Total	227	403	7,425	12,991

NOTES TO FINANCIAL STATEMENTS

Separate financial statements

	Period from		Period from	
	1 October 2014 to 31 December 2014	Year ended 30 September 2014	1 October 2014 to 31 December 2014	Year ended 30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current service costs	7	35	229	1,129
Interest on obligation	1	6	33	193
Total	8	41	262	1,322

The expense is recognised in following line items in the statement of comprehensive income:

Consolidated financial statements

	Period from		Period from	
	1 October 2014 to 31 December 2014	Year ended 30 September 2014	1 October 2014 to 31 December 2014	Year ended 30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Cost of rendering of services	(5)	-	(164)	-
Administrative expenses	232	403	7,589	12,991
Total	227	403	7,425	12,991

Separate financial statements

	Period from		Period from	
	1 October 2014 to 31 December 2014	Year ended 30 September 2014	1 October 2014 to 31 December 2014	Year ended 30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Administrative expenses	8	41	262	1,322
Total	8	41	262	1,322

Actuarial gains recognised in other comprehensive income:

Consolidated financial statements

	Period from		Period from	
	1 October 2014 to 31 December 2014	Year ended 30 September 2014	1 October 2014 to 31 December 2014	Year ended 30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Included in retained earnings:				
At 1 October	303	-	9,767	-
Recognised during the period / year	-	340	-	10,960
Deferred tax liabilities	(31)	(37)	(1,014)	(1,193)
At 31 December / 30 September	272	303	8,753	9,767

NOTES TO FINANCIAL STATEMENTS

	Separate financial statements			
	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht)</i>	Year ended 30 September 2014
Included in retained earnings:				
At 1 October	94	-	3,030	-
Recognised during the period / year	-	94	-	3,030
Deferred tax liabilities	(19)	-	(621)	-
At 31 December / 30 September	75	94	2,409	3,030

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
Discount rate	3.80	3.80	3.80	3.80
Future salary increases	4.00 – 8.00	4.00 – 8.00	4.00 – 8.00	4.00 – 8.00
Mortality rate	0.08 – 1.03	0.08 – 1.03	0.08 – 1.03	0.08 – 1.03
Resignation rate	0.00 – 20.00	0.00 – 20.00	0.00 – 20.00	0.00 – 20.00

Assumptions regarding future mortality are based on published statistics and mortality tables.

20 Share capital

Issue and listing of placement shares

On 3 October 2013, the Company's Board of Directors announced that the Company has completed the allotment and issue of 58,105,821 Placement Shares. The Placement Shares rank pari passu in all respects with and carry all rights similar to the other shares in issue as at 4 October 2013, except that they will not rank for any dividends, rights allotments or other distributions which may be declared or paid, the record date in respect of which falls on or before the day immediately prior to the date on which the Placement Shares are issued. The Placement Shares were listed for quotation on the Main Board of the SGX-ST on 4 October 2013 and the trading commenced on the same date.

Additionally, for the year ended 30 September 2014, 535,115 ordinary shares were issued as a result of the exercise of vested options arising from the 2008 share option programme granted to key management.

During the period from 1 October 2014 to 31 December 2014, 247,819 ordinary shares were issued as a result of the exercise of vested options arising from the 2011 share option programme granted to key management.

NOTES TO FINANCIAL STATEMENTS

	Par value per share (in Baht)	31 December 2014 (in thousand Baht/thousand number)	30 September 2014
<i>Authorised</i>			
At 1 October			
- ordinary shares	1	1,416,701	1,416,701
At 31 December / 30 September			
- ordinary shares	1	1,416,701	1,416,701
<i>Issued and paid</i>			
At 1 October			
- ordinary shares	1	1,413,081	1,354,440
Increase of new shares	1	248	58,641
At 31 December / 30 September			
- ordinary shares	1	1,413,329	1,413,081

Premium on share capital

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

	31 December 2014	30 September 2014
	<i>(in thousand Baht)</i>	
At 1 October	13,557,016	13,219,720
Increase of new shares	1,597	337,296
At 31 December / 30 September	13,558,613	13,557,016

21 Reserves**Legal reserve**

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity**Currency translation differences**

The currency transaction differences account within equity related to foreign currency differences arising from the translation of the financial statements of foreign operations to US Dollar and Thai Baht.

NOTES TO FINANCIAL STATEMENTS

Difference arising from common control transactions

The differences arising from common control transactions represent the excess of the book values of certain entities or businesses under common control over their cost as of the date of their acquisition and have been recorded as a reserve. It is non-distributable and will be retained until the respective subsidiaries are sold or otherwise disposed of.

22 Segment information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different services and are managed separately because they require different marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Business segments

The Group comprises the following main business segments:

Segment 1	Subsea group
Segment 2	Drilling group
Segment 3	Holding

From 1 October 2014, the Group has changed the basis of presentation and disclosure of segment information and resulted in the Group presenting segment information in respect of the following segments: Subsea, Drilling and Holding. Previously, the Group presented segment information in respect of the following: Subsea, Survey, Drilling, and Holding. The new basis has been applied retrospectively and segment information included in the financial statements for the year ended 30 September 2014, which are included in the Group's financial statements for the period from 1 October 2014 to 31 December 2014 for comparative purposes, has been re-presented accordingly. The change in basis only impacts presentational aspects and has no impact on the Group's reported assets, liabilities, results or earnings per share.

Revenue and results, based on business segments, in the consolidated financial statements for the period from 1 October 2014 to 31 December 2014 and for the year ended 30 September 2014 were as follows:

	Consolidated financial statements for the period from 1 October 2014 to 31 December 2014					
	Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total <i>(in thousand US Dollar)</i>	Elimination	Group
Total revenue from rendering of services	94,711	4,562	-	99,273	(383)	98,890
Operating profit (loss)	3,934	445	(3,097)	1,282	(381)	901
Finance costs	(1,196)	(21)	-	(1,217)	358	(859)
Share of profit of equity-accounted associates	-	-	6,873	6,873	-	6,873
Share of profit of equity-accounted jointly- controlled entity	153	-	-	153	-	153
Profit before income tax expense	2,891	424	3,776	7,091	(23)	7,068
Income tax expense	(1,100)	(59)	(1,567)	(2,726)	-	(2,726)
Profit for the period	1,791	365	2,209	4,365	(23)	4,342
	Consolidated financial statements as at 31 December 2014				Elimination	Group
	Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total <i>(in thousand US Dollar)</i>		
Cash and cash equivalents	27,397	3,769	58,242	89,408	-	89,408
Trade accounts receivable	108,042	3,054	-	111,096	(317)	110,779
Investments in associates	-	-	138,248	138,248	-	138,248
Investments in jointly-controlled entity	415	-	-	415	-	415
Property, plant and equipment	287,338	87,853	3,071	378,262	-	378,262
	423,192	94,676	199,561	717,429	(317)	717,112
Unallocated assets						46,240
Total assets						763,352

	Consolidated financial statements as at 31 December 2014					
	Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total	Elimination	Group
Interest-bearing liabilities	112,713	-	-	112,713	-	112,713
Unallocated liabilities	112,713	-	-	112,713	-	112,713
Total liabilities						84,705
Capital expenditure	10,640	685	17	11,342	-	11,342
Depreciation	5,568	1,813	116	7,497	-	7,497
Amortisation	94	-	8	102	-	102
Gain on disposal and write-off property, plant and equipment and intangible asset	167	-	-	167	-	167
Impairment losses on property, plant and equipment	1,560	(53)	-	1,507	-	1,507

	Consolidated financial statements for the year ended 30 September 2014				
	Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total	Group
Total revenue from rendering of services	285,116	27,844	-	312,960	312,960
Operating profit (loss)	23,425	4,392	(5,201)	22,616	22,991
Finance costs	(4,618)	(274)	-	(4,892)	(3,885)
Share of profit of equity-accounted associates	-	-	31,059	31,059	31,059
Share of profit of equity-accounted jointly- controlled entity	262	-	-	262	262
Profit before income tax expense	19,069	4,118	25,858	49,045	50,427
Income tax expense	(2,296)	(1,720)	(1,135)	(5,151)	(5,151)
Profit for the year	16,773	2,398	24,723	43,894	45,276
	Consolidated financial statements as at 30 September 2014				
	Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total	Group
Cash and cash equivalents	22,848	7,105	25,888	55,841	55,841
Short-term deposit at financial institution	-	-	25,012	25,012	25,012
Trade accounts receivable	108,256	2,594	-	110,850	109,850
Investment in associates	-	-	131,375	131,375	131,375
Investment in jointly-controlled entity	262	-	-	262	262
Property, plant and equipment	284,889	88,928	3,170	376,987	376,987
	416,255	98,627	185,445	700,327	699,327
Unallocated assets				(1,000)	47,931
Total assets					747,258

	Consolidated financial statements as at 30 September 2014					
	Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total	Elimination	Group
Interest-bearing liabilities	114,445	2,995	-	117,440	-	117,440
Unallocated liabilities	114,445	2,995	-	117,440	-	117,440
Total liabilities						67,992
Capital expenditure	29,977	48,703	124	78,804	-	78,804
Depreciation	21,409	7,143	471	29,023	-	29,023
Amortisation	422	1	30	453	-	453
Gain (loss) on disposal and write-off property, plant and equipment and intangible asset	(8)	8	7	7	-	7

	Consolidated financial statements for the period from 1 October 2014 to 31 December 2014					
	Subsea group	Drilling group	Holding <i>(in thousand Baht)</i>	Total <i>(in thousand Baht)</i>	Elimination	Group
Total revenue from rendering of services	3,098,044	149,225	-	3,247,269	(12,528)	3,234,741
Operating profit (loss)	128,683	14,556	(101,305)	41,934	(12,463)	29,471
Finance costs	(39,121)	(687)	-	(39,808)	11,710	(28,098)
Share of profit of equity-accounted associates	-	-	224,819	224,819	-	224,819
Share of profit of equity-accounted jointly- controlled entity	5,005	-	-	5,005	-	5,005
Profit before income tax expense	94,567	13,869	123,514	231,950	(753)	231,197
Income tax expense	(35,982)	(1,930)	(51,257)	(89,169)	-	(89,169)
Profit for the period	58,585	11,939	72,257	142,781	(753)	142,028
	Consolidated financial statements as at 31 December 2014					
	Subsea group	Drilling group	Holding <i>(in thousand Baht)</i>	Total <i>(in thousand Baht)</i>	Elimination	Group
Cash and cash equivalents	903,087	124,238	1,919,831	2,947,156	-	2,947,156
Trade accounts receivable	3,561,388	100,669	-	3,662,057	(10,449)	3,651,608
Investments in associates	-	-	4,557,069	4,557,069	-	4,557,069
Investments in jointly-controlled entity	13,680	-	-	13,680	-	13,680
Property, plant and equipment	9,471,523	2,895,898	101,229	12,468,650	-	12,468,650
	13,949,678	3,120,805	6,578,129	23,648,612	(10,449)	23,638,163
Unallocated assets						1,524,209
Total assets						25,162,372

	Consolidated financial statements as at 31 December 2014					
	Subsea group	Drilling group	Holding <i>(in thousand Baht)</i>	Total	Elimination	Group
Interest-bearing liabilities	3,715,359	-	-	3,715,359	-	3,715,359
Unallocated liabilities	3,715,359	-	-	3,715,359	-	3,715,359
Total liabilities						2,792,131
Capital expenditure	350,726	22,580	560	373,866	-	373,866
Depreciation	182,133	59,304	3,794	245,231	-	245,231
Amortisation	3,075	-	262	3,337	-	3,337
Gain on disposal and write-off property, plant and equipment and intangible asset	5,463	-	-	5,463	-	5,463
Impairment losses on property, plant and equipment	51,029	(1,734)	-	49,295	-	49,295

	Consolidated financial statements for the year ended 30 September 2014					
	Subsea group	Drilling group	Holding <i>(in thousand Baht)</i>	Total <i>(in thousand Baht)</i>	Elimination	Group
Total revenue from rendering of services	9,190,629	897,543	-	10,088,172	-	10,088,172
Operating profit (loss)	755,098	141,575	(167,653)	729,020	12,088	741,108
Finance costs	(148,860)	(8,832)	-	(157,692)	32,460	(125,232)
Share of profit equity-accounted of associates	-	-	1,001,178	1,001,178	-	1,001,178
Share of profit equity-accounted of jointly- controlled entity	8,445	-	-	8,445	-	8,445
Profit before income tax expense	614,683	132,743	833,525	1,580,951	44,548	1,625,499
Income tax expense	(74,010)	(55,445)	(36,586)	(166,041)	-	(166,041)
Profit for the year	540,673	77,298	796,939	1,414,910	44,548	1,459,458
	Consolidated financial statements as at 30 September 2014					
	Subsea group	Drilling group	Holding <i>(in thousand Baht)</i>	Total <i>(in thousand Baht)</i>	Elimination	Group
Cash and cash equivalents	739,665	230,012	838,080	1,807,757	-	1,807,757
Short-term deposit at financial institution	-	-	809,721	809,721	-	809,721
Trade accounts receivable	3,504,605	83,976	-	3,588,581	(32,374)	3,556,207
Investments in associates	-	-	4,253,042	4,253,042	-	4,253,042
Investments in jointly-controlled entity	8,482	-	-	8,482	-	8,482
Property, plant and equipment	9,222,797	2,878,893	102,623	12,204,313	-	12,204,313
	13,475,549	3,192,881	6,003,466	22,671,896	(32,374)	22,639,522
Unallocated assets						1,551,685
Total assets						24,191,207

	Consolidated financial statements as at 30 September 2014					
	Subsea group	Drilling group	Holding <i>(in thousand Baht)</i>	Total	Elimination	Group
Interest-bearing liabilities	3,704,963	96,958	-	3,801,921	-	3,801,921
Unallocated liabilities	3,704,963	96,958	-	3,801,921	-	3,801,921
Total liabilities						2,201,126
Capital expenditure	970,456	1,576,677	4,014	2,551,147	-	2,551,147
Depreciation	690,113	230,252	15,183	935,548	-	935,548
Amortisation	13,603	32	967	14,602	-	14,602
Gain (loss) on disposal and write-off property, plant and equipment and intangible asset	(260)	259	227	226	-	226

NOTES TO FINANCIAL STATEMENTS

Geographical information

Segments Subsea, Drilling and Holding are managed on a worldwide basis but mainly operate and provide services in Thailand, Singapore, Indonesia, Qatar and Saudi Arabia.

In presenting geographical information, revenue is based on the geographical location of customers. Assets are based on the geographical location of the assets.

Geographical information

	Revenue from rendering of services			
	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht)</i>	Year ended 30 September 2014
Saudi Arabia	43,617	95,891	1,426,733	3,091,019
Thailand	17,087	62,076	558,924	2,001,001
UK	14,757	31,950	482,708	1,029,899
Indonesia	12,914	69,957	422,423	2,255,043
Qatar	9,293	12,711	303,978	409,735
China	-	11,747	-	378,661
Italy	-	9,512	-	306,616
Other countries	1,222	19,116	39,975	616,198
Total	98,890	312,960	3,234,741	10,088,172

	Assets			
	31 December 2014 <i>(in thousand US Dollar)</i>	30 September 2014	31 December 2014 <i>(in thousand Baht)</i>	30 September 2014
Thailand	390,979	399,884	12,887,842	12,945,565
Cayman	138,250	131,374	4,557,135	4,253,010
Saudi Arabia	120,991	103,454	3,988,226	3,349,147
Singapore	79,826	79,572	2,631,304	2,576,008
Indonesia	21,409	25,927	705,705	839,343
Qatar	11,879	7,033	391,567	227,681
Other countries	18	14	593	453
Total	763,352	747,258	25,162,372	24,191,207

Major customer

Revenues from the major customer of the Group's Segments Subsea represents approximately US Dollar 42.6 million (*for the year ended 30 September 2014: US Dollar 117.88 million*) of the Group's total revenues.

NOTES TO FINANCIAL STATEMENTS

23 Cost of rendering of services

	Consolidated financial statements			
	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht)</i>	Year ended 30 September 2014
Crew, staff and subcontractor costs	28,311	105,083	926,066	3,387,319
Charter hire and equipment rental	23,879	33,657	781,095	1,084,924
Vessel expenses and repair and maintenance expenses	17,176	54,558	561,835	1,758,661
Depreciation	7,248	28,105	237,086	905,956
Mobilisation/demobilisation expense	5,209	13,744	170,389	443,034
Recharge expenses related to services provided	4,457	19,204	145,791	619,035
Commission fee	150	670	4,906	21,597
Amortisation	88	415	2,879	13,377
Total	86,518	255,436	2,830,047	8,233,903

24 Administrative expenses

	Consolidated financial statements			
	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht)</i>	Year ended 30 September 2014
Employee benefit expense	5,398	21,756	176,571	701,298
Withholding tax not recoverable	2,034	3,635	66,533	117,173
Impairment losses	1,507	-	49,295	-
Consulting fees	616	750	20,150	24,176
Depreciation	249	918	8,145	29,591
Office and office equipment rental	208	806	6,804	25,981
Amortisation	14	38	458	1,225
Others	2,115	8,156	69,182	262,907
Total	12,141	36,059	397,138	1,162,351

NOTES TO FINANCIAL STATEMENTS

Separate financial statements

	Period from		Period from	
	1 October 2014 to 31 December 2014	Year ended 30 September 2014	1 October 2014 to 31 December 2014	Year ended 30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Employee benefit expense	658	3,408	21,524	109,856
Consulting fees	493	313	16,126	10,089
Depreciation	116	471	3,794	15,183
Office and office equipment rental	29	113	949	3,643
Amortisation	8	30	262	967
Others	505	1,541	16,518	49,674
Total	1,809	5,876	59,173	189,412

25 Employee benefit expense

Consolidated financial statements

	Period from		Period from	
	1 October 2014 to 31 December 2014	Year ended 30 September 2014	1 October 2014 to 31 December 2014	Year ended 30 September 2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Crew expenses and subcontractor	28,311	105,083	926,066	3,387,319
Wages, salaries and bonus	3,424	16,705	112,001	538,481
Staff welfare	1,126	3,308	36,832	106,632
Contribution to defined contribution plans and social security and expenses related to defined benefit plans	605	1,037	19,790	33,427
Equity-settled share-based payment transactions	3	14	98	451
Others	240	692	7,850	22,307
Total	33,709	126,839	1,102,637	4,088,617

NOTES TO FINANCIAL STATEMENTS

	Separate financial statements			
	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht)</i>	Year ended 30 September 2014
Wages, salaries and bonus	423	2,590	13,838	83,488
Staff welfare	106	285	3,467	9,187
Contribution to defined contribution plans and social security and expenses related to define benefit plans	41	157	1,341	5,061
Equity-settled share-based payment transactions	3	14	98	451
Others	85	362	2,780	11,669
Total	658	3,408	21,524	109,856

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rate 7% of their basic salaries and by the Group at rate 7% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Manager.

26 Finance costs

	Consolidated financial statements			
	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht)</i>	Year ended 30 September 2014
<i>Interest expenses:</i>				
Bank loans	825	3,756	26,986	121,074
Total interest expense	825	3,756	26,986	121,074
Amortisation of front-end fees	32	124	1,047	3,997
Interest expense from finance lease	2	5	65	161
Total	859	3,885	28,098	125,232

NOTES TO FINANCIAL STATEMENTS

27 Income tax expense

Income tax recognised in profit or loss

		Consolidated financial statements			
		Period from	Year ended	Period from	Year ended
		1 October 2014	30 September	1 October 2014	30 September
		to 31 December	2014	to 31 December	2014
Note		2014	2014	2014	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current tax expense					
Current taxes		1,964	5,200	64,243	167,621
		1,964	5,200	64,243	167,621
Deferred tax expense					
Deferred taxes		762	(49)	24,926	(1,580)
Total		2,726	5,151	89,169	166,041
		Separate financial statements			
		Period from	Year ended	Period from	Year ended
		1 October 2014	30 September	1 October 2014	30 September
		to 31 December	2014	to 31 December	2014
Note		2014	2014	2014	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current tax expense					
Current taxes		90	1,135	2,945	36,586
		90	1,135	2,945	36,586
Deferred tax expense					
Deferred taxes		(44)	-	(1,440)	-
Total		46	1,135	1,505	36,586

NOTES TO FINANCIAL STATEMENTS

Reconciliation of effective tax rate

The tax on the Group's profit before taxes differs from the theoretical amount that would arise using the weighted average effective tax rate to profits of the consolidated entities as follows:

	Consolidated financial statements			
	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht)</i>	Year ended 30 September 2014
Profit before income tax – accounting	7,068	50,427	231,197	1,625,499
Tax at the domestic rate of 20%	1,414	10,085	46,240	325,100
Adjustments:				
Effect of difference tax rate in foreign jurisdictions	795	61	26,005	1,966
Income not subject to tax and additional taxable expenses	(3,764)	(9,794)	(123,109)	(315,706)
Expenses not deductible for tax purposes	2,280	1,923	74,580	61,974
Utilisation of previously unrecognised tax losses	(79)	(3,435)	(2,584)	(110,726)
Tax losses for which no deferred income tax assets were recognised	496	2,032	16,224	65,501
Adjustments in respect of prior year	-	198	-	6,382
Remeasurement of loss (gain) on exchange rate of US Dollar financial statement	517	(85)	16,911	(2,740)
Remeasurement of loss on exchange rate of Thai Baht financial statement	30	980	981	31,590
Tax charges from overseas operations	1,037	3,186	33,921	102,700
Total income tax expense	2,726	5,151	89,169	166,041
The average effective tax rate	39%	10%	39%	10%

NOTES TO FINANCIAL STATEMENTS

	Separate financial statements			
	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht)</i>	Year ended 30 September 2014
Profit (loss) before income tax – accounting	4,871	(1,555)	159,333	(50,125)
Tax at the domestic rate of 20%	974	(311)	31,867	(10,025)
Adjustments:				
Income not subject to tax and additional taxable expense	(2,097)	-	(68,594)	-
Expenses not deductible for tax purposes	26	2	844	65
Utilisation of previously unrecognised tax losses	-	(305)	-	(9,832)
Remeasurement of gain on exchange rate of US Dollar financial statement	947	478	30,977	15,408
Remeasurement of gain on exchange rate of Thai Baht financial statement	196	1,271	6,411	40,970
Total income tax expense	46	1,135	1,505	36,586
The average effective tax rate	1%	(73%)	1%	(73%)

The average effective tax rate is calculated including taxes due from overseas operations.

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively. Royal Decree No. 577 B.E. 2557 dated 10 November 2014 extends the reduction to 20% for the accounting period 2015 which begins on or after 1 January 2015.

The Group has applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2014 and 30 September 2014 in accordance with the clarification issued by the FAP in 2012.

NOTES TO FINANCIAL STATEMENTS

28 Promotional privileges

As at 31 December 2014, the subsidiary received promotional privileges from the Thailand Board of Investment (“BOI”) under a number of different categories, including services of submerged and drilling structure inspection and marine transportation services. The main privileges include exemption from payment of import duty on machinery and exemption from corporate income tax for the promoted activities for a period of 8 years from the date when income is first derived, or when approval is given by the BOI.

To be entitled to the privileges, the subsidiary must comply with the conditions and restrictions provided in the promotional certificates.

29 Earnings (losses) per share

Basic earnings (losses) per share

The calculations of basic earnings (losses) per share for the period from 1 October 2014 to 31 December 2014 and for the year ended 30 September 2014 were based on the profit (loss) for the period / year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the period / year as follows:

	Consolidated financial statements			
	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar/ thousand shares)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht/ thousand shares)</i>	Year ended 30 September 2014
Profit attributable to ordinary shareholders of the Company (basic)	4,323	45,156	141,407	1,455,590
Number of ordinary shares outstanding at 1 October	1,413,081	1,354,440	1,413,081	1,354,440
Effect of shares issued on 22 October 2013	-	54,763	-	54,763
Effect of shares options exercised	73	468	73	468
Weighted average number of ordinary shares outstanding (basic)	1,413,154	1,409,671	1,413,154	1,409,671
	<i>(in US dollar)</i>		<i>(in Baht)</i>	
Earnings per share (basic)	0.003	0.032	0.100	1.033

NOTES TO FINANCIAL STATEMENTS

	Separate financial statements			
	Period from 1 October 2014 to 31 December 2014 <i>(in thousand US Dollar/ thousand shares)</i>	Year ended 30 September 2014	Period from 1 October 2014 to 31 December 2014 <i>(in thousand Baht/ thousand shares)</i>	Year ended 30 September 2014
Profit (loss) attributable to ordinary shareholders of the Company (basic)	4,825	(2,690)	157,828	(86,711)
Number of ordinary shares outstanding at 1 October	1,413,081	1,354,440	1,413,081	1,354,440
Effect of shares issued on 22 October 2013	-	54,763	-	54,763
Effect of shares options exercised	73	468	73	468
Weighted average number of ordinary shares outstanding (basic)	1,413,154	1,409,671	1,413,154	1,409,671
	<i>(in US dollar)</i>		<i>(in Baht)</i>	
Earnings (losses) per share (basic)	0.003	(0.002)	0.112	(0.062)

Diluted earnings (losses) per share

The calculations of diluted earnings (losses) per share for the period from 1 October 2014 to 31 December 2014 and for the year ended 30 September 2014 were based on the profit (loss) for the period / year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the period / year after adjusting for the effects of all dilutive potential ordinary shares as follows:

NOTES TO FINANCIAL STATEMENTS

	Consolidated financial statements			
	Period from		Period from	
	1 October 2014 to 31 December 2014 <i>(in thousand US Dollar/ thousand shares)</i>	Year ended 30 September 2014	1 October 2014 to 31 December 2014 <i>(in thousand Baht/ thousand shares)</i>	Year ended 30 September 2014
Profit attributable to ordinary shareholders of the Company (basic)	4,323	45,156	141,407	1,455,590
Weighted average number of ordinary shares outstanding (basic)	1,413,154	1,409,671	1,413,154	1,409,671
Effect from employee share option plan	107	320	107	320
Weighted average number of ordinary shares outstanding (diluted)	1,413,261	1,409,991	1,413,261	1,409,991
	<i>(in US dollar)</i>		<i>(in Baht)</i>	
Earnings per share (diluted)	0.003	0.032	0.100	1.032
	Separate financial statements			
	Period from		Period from	
	1 October 2014 to 31 December 2014 <i>(in thousand US Dollar/ thousand shares)</i>	Year ended 30 September 2014	1 October 2014 to 31 December 2014 <i>(in thousand Baht/ thousand shares)</i>	Year ended 30 September 2014
Profit (loss) attributable to ordinary shareholders of the Company (basic)	4,825	(2,690)	157,828	(86,711)
Weighted average number of ordinary shares outstanding (basic)	1,413,154	1,409,671	1,413,154	1,409,671
Effect from employee share option plan	107	320	107	320
Weighted average number of ordinary shares outstanding (diluted)	1,413,261	1,409,991	1,413,261	1,409,991
	<i>(in US dollar)</i>		<i>(in Baht)</i>	
Earnings (losses) per share (diluted)	0.003	(0.002)	0.112	(0.062)

NOTES TO FINANCIAL STATEMENTS

30 Dividends

At the annual general meeting of the shareholders of the Company held on 28 January 2014, the shareholders approved the appropriation of dividend of Baht 0.2630 per share or equivalent to US Dollar 0.0086 per share, amounting to Baht 371.64 million or equivalent to US Dollar 12.15 million. The dividend was paid to the Company's shareholders on 21 February 2014.

31 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital Management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding minority interests and also monitor the level of dividends to ordinary shareholders.

Foreign currency risk

A substantial part of the assets and liabilities of the Group are recognised in USD, the functional currency of the Group. These assets and liabilities are translated into THB for presentation purposes. The translation into THB does not imply that the assets and liabilities recognised in USD can be recovered or settled in the future at exchange rates similar to the exchange rate prevailing at the current reporting date.

At 31 December 2014 and 30 September 2014, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

NOTES TO FINANCIAL STATEMENTS

	Consolidated financial statements		Separate financial statements	
	31 December 2014	30 September 2014	31 December 2014	30 September 2014
<i>Thai Baht</i>				
		<i>(in thousand US Dollar)</i>		
Cash and cash equivalents	5,581	7,450	4,508	232
Trade accounts receivable	269	1,258	-	-
Short-term loans to related parties	-	-	123,957	131,250
Trade accounts payable	1,533	664	-	-
Other payables	1,338	3,818	97	133
Gross balance sheet exposure	8,721	13,190	128,562	131,615
<i>Singapore Dollar</i>				
Cash and cash equivalents	73	85	1	1
Trade accounts payable	610	702	-	-
Other payables	129	29	10	1
Gross balance sheet exposure	812	816	11	2
<i>Qatari Dollar</i>				
Cash and cash equivalents	-	578	-	-
Trade accounts payable	897	555	-	-
Gross balance sheet exposure	897	1,133	-	-
<i>Indonesian Rupiah</i>				
Cash and cash equivalents	207	406	-	-
Trade accounts payable	593	814	-	-
Other payables	578	531	-	-
Gross balance sheet exposure	1,378	1,751	-	-

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

NOTES TO FINANCIAL STATEMENTS

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following method. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other accounts receivables is taken to approximate the carrying value.

As at 31 December 2014 and 30 September 2014, the financial assets and liabilities have fair values that do not differ significantly from the amounts recorded in the statement of financial position.

32 Guarantees

As at 31 December 2014 and 30 September 2014, the Group and the Company had outstanding guarantees as follows:

	Consolidated financial statements					
	31 December 2014			30 September 2014		
	thousand Baht	thousand USD	thousand AED	thousand Baht	thousand USD	thousand AED
Letters of guarantee issued by financial institutions in the normal course of business	19,650	26,460	50	19,650	26,519	50
Guarantee for long-term loans of subsidiaries to financial institutions	-	113,375	-	-	118,125	-

	Separate financial statements			
	31 December 2014		30 September 2014	
	thousand Baht	thousand USD	thousand Baht	thousand USD
Letters of guarantee issued by financial institutions in the normal course of business	400	8,750	400	8,750
Guarantee for long-term loans of subsidiaries to financial institutions	-	113,375	-	118,125

NOTES TO FINANCIAL STATEMENTS

33 Commitments with non-related parties

(a) Capital commitments

	Consolidated financial statements			
	31 December	30 September	31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Purchasing of Diving Equipments	2,763	261	91,077	8,449
Purchasing of tender rigs	254,000	254,000	8,372,602	8,222,818
Purchasing of DSV	117,600	117,600	3,876,449	3,807,100
Other	34	127	1,121	4,111
Total	374,397	371,988	12,341,249	12,042,478

(b) Operating lease commitments - company as lessee

The future aggregate minimum lease payments under operating lease are as follows:

	Consolidated financial statements			
	31 December	30 September	31 December	30 September
	2014	2014	2014	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Non-cancellable operating lease commitments				
Within one year	30,351	9,666	1,000,460	312,920
After one year but within five years	70,313	8,186	2,317,727	265,008
Total	100,664	17,852	3,318,187	577,928

In February 2012, a subsidiary has entered into the agreement with its local third party company for the vessel time charter for the period of 2 years which effective dated 29 February 2012, the contract has been extend one year till 28 February 2016.

In June 2013, a subsidiary has entered into the agreement with its local third party company for the vessel time charter for the period of 3 years term and the option for 2 years extension period. The vessel delivery date was 1 December 2013.

In October 2014, a subsidiary has entered into the agreement with its local third party company for the vessel time charter for the period of 5 years term and the option for 5 years extension period. The vessel delivery date was 14 December 2014.

(c) Other commitments

As at 31 December 2014, the Group had commitments on procurement commission of a new drilling unit of US Dollar 2.0 million (30 September 2014: US Dollar 2.0 million).

NOTES TO FINANCIAL STATEMENTS

34 Share-based payments

The Company had three share option schemes in operation during the financial year, all of which are equity-settled schemes:

- i) Employee share option plan 2009 (“ESOP 2009”) was approved by the Company’s shareholders on 29 January 2009. This scheme permits the grant of options in respect of ordinary shares to the Group’s senior management. Options are normally exercisable every six months commencing from the third anniversary from the date of grant of the option and will expire on the fifth anniversary from the date of grant of the options, upon which the options shall expire automatically. No further options will be granted under this scheme.
- ii) Employee share option plan 2010 (“ESOP 2010”) was approved by the Company’s shareholders on 28 January 2010. This scheme permits the grant of options in respect of ordinary shares to the Group’s senior management. Options are normally exercisable every six months commencing from the third anniversary from the date of grant of the option and will expire on the fifth anniversary from the date of grant of the options, upon which the options shall expire automatically. No further options will be granted under this scheme.
- iii) Employee share option plan 2011 (“ESOP 2011”) was approved by the Company’s shareholders on 25 January 2011. This scheme permits the grant of options in respect of ordinary shares to the Group’s senior management. Options are normally exercisable every six months commencing from the third anniversary from the date of grant of the option and will expire on the fifth anniversary from the date of grant of the options, upon which the options shall expire automatically. No further options will be granted under this scheme.

Share options are granted to the selected executive directors and non-executive directors. The exercise price of the granted options is equal to the average of the “Market Price”, being the price equal to the weighted average price for the shares on SGX-ST fifteen consecutive trading days immediately preceding the date of grant. Options are conditional on the employee completing three years’ service (the vesting period). The options are exercisable starting three years from the grant date. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

None of the participants in any of the said ESOPs were granted 5% or more of the total number of options originally available in each ESOP and no options were granted at a discount. Furthermore, no directors or controlling shareholders of the Group hold options under any of the said ESOPs and no options are held by the Company’s parent company or other subsidiaries of the parent company outside the Company, nor any of its or their directors or employees.

NOTES TO FINANCIAL STATEMENTS

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Consolidated financial statements		Separate financial statements	
	Average exercise price SGD per share	Option Thousand shares	Average exercise price SGD per share	Option Thousand shares
At 1 October 2013	0.39	2,455	0.39	2,455
Forfeited	0.28	(209)	0.28	(209)
Exercise	0.27	(535)	0.27	(535)
Expired	0.27	(210)	0.27	(210)
At 30 September 2014	0.46	1,501	0.46	1,501
Exercise	0.21	(248)	0.21	(248)
Expired	0.72	(622)	0.72	(622)
At 31 December 2014	0.31	631	0.31	631

As at 31 December 2014, the 631,049 outstanding options (*30 September 2014: 937,562 options*) were exercisable. The average share price during the period from 1 October 2014 to 31 December 2014 was SGD 0.32 per share (*for the year ended 30 September 2014: SGD 0.44 per share*).

Share options outstanding at the end of the period / year have the following expiry dates and exercise prices:

	Consolidated financial statements			Separate financial statements		
	Exercise price SGD per shares	31 December 2014 Thousand shares	30 September 2014 Thousand shares	Exercise price SGD per shares	31 December 2014 Thousand shares	30 September 2014 Thousand shares
Expired date:						
16 November 2014	0.72	-	622	0.72	-	622
1 December 2015	0.40	315	316	0.40	315	316
15 December 2016	0.21	316	563	0.21	316	563
		631	1,501		631	1,501

The weighted average fair value of options granted during the year 2011 using the Binomial Lattice valuation model was SGD 0.09 per option. The significant inputs into the model were a weighted average share price of SGD 0.23 at the grant date, exercise price shown above, volatility of 45%, dividend yield of 0%, an expected option life of 3.85 years, and an annual risk-free interest rate of 3.015% - 3.081%.

NOTES TO FINANCIAL STATEMENTS

On 15 December 2011, 1,310,000 share options were granted to the Group's executive directors and non-executive directors with an exercise price set at the market price on that date of SGD 0.24 per share (share price: SGD 0.23 per share) (expiry date: 15 December 2016). With the adoption of TFRS 2 "Share-based Payment", grants on or after 1 October 2011 were accounted for in accordance with that accounting standard. Given that this option has a vesting period of 3 years, the accounting expense with respect to the plan is amortised using the straight-line method over 3 years. The projected accounting expense calculated by an actuary which is recognised as a component of equity in the statement of changes in equity for the period from 1 October 2014 to 31 December 2014 amounted to US Dollar 2,920.8 or equivalent to Baht 96,277 (for the year ended 30 September 2014: US Dollar 14,272.9 or equivalent to Baht 462,060)

35 Events after the reporting period

Dividend payment

At the annual general meeting of shareholders of the Company held on 27 January 2015, the shareholders approved the appropriation of dividend of US Dollar 0.0047 per share or equivalent to Baht 0.1542 per share, total amounting of US Dollar 6.7 million or equivalent to Baht 218 million. The dividend was paid to the Company's shareholders on 23 February 2015.

Dividend payment proposal

At the Board of the director of the Company held on 27 February 2015, the Board approved to propose an annual dividend payment of US Dollar 0.0040 per share or equivalent to Baht 0.1279 per share, total amounting of US Dollar 5.7 million or equivalent to Baht 181 million to the shareholders of the Company. The dividend shall be proposed to the Annual General Meeting of Shareholders in April 2015 for their consideration and approval.

36 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January in the year indicated, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic	Year effective
TAS 1 (revised 2014)	Presentation of Financial Statements	2015
TAS 2 (revised 2014)	Inventories	2015
TAS 7 (revised 2014)	Statement of Cash Flows	2015
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors	2015
TAS 10 (revised 2014)	Events after the Reporting Period	2015
TAS 12 (revised 2014)	Income Taxes	2015
TAS 16 (revised 2014)	Property, Plant and Equipment	2015
TAS 17 (revised 2014)	Leases	2015
TAS 18 (revised 2014)	Revenue	2015
TAS 19 (revised 2014)	Employee Benefits	2015
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates	2015
TAS 23 (revised 2014)	Borrowing Costs	2015

NOTES TO FINANCIAL STATEMENTS

TFRS	Topic	Year effective
TAS 24 (revised 2014)	Related Party Disclosures	2015
TAS 27 (revised 2014)	Separate Financial Statements	2015
TAS 28 (revised 2014)	Investments in Associates and Joint Ventures	2015
TAS 33 (revised 2014)	Earnings per Share	2015
TAS 34 (revised 2014)	Interim Financial Reporting	2015
TAS 36 (revised 2014)	Impairment of Assets	2015
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets	2015
TAS 38 (revised 2014)	Intangible Assets	2015
TAS 40 (revised 2014)	Investment Property	2015
TFRS 2 (revised 2014)	Share-based Payment	2015
TFRS 3 (revised 2014)	Business Combinations	2015
TFRS 5 (revised 2014)	Non-current Assets Held for Sale and Discontinued Operations	2015
TFRS 8 (revised 2014)	Operating Segments	2015
TFRS 10	Consolidated Financial Statements	2015
TFRS 11	Joint Arrangements	2015
TFRS 12	Disclosure of Interests in Other Entities	2015
TFRS 13	Fair Value Measurement	2015
TSIC 15 (revised 2014)	Operating Leases - Incentives	2015
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2015
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease	2015
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment	2015

Management expects to adopt and apply these new and revised TFRS in accordance with the FAP's announcement and is presently considering the potential initial impact on the consolidated and separate financial statements.

Mermaid Shares held by Directors

As at 31 December 2014, Mermaid Maritime Public Company Limited (the "Company" or "Mermaid") had a total of 1,413,328,857 ordinary shares issued and fully paid. Mermaid has no convertible securities. The direct and deemed interests of each Director of Mermaid in Mermaid's ordinary shares were as follows:

Name	Direct	% of Issued Share Capital	Deemed	% of Issued Share Capital
Mr. Prasert Bunsumpun	None	n/a	None	n/a
Mr. Chalermchai Mahagitsiri	150,461,660	10.65	816,707,813	57.79
Mr. Ng Cher Yan	None	n/a	None	n/a
Mr. Toh Wen Keong Joachim	None	n/a	None	n/a
Mr. Chia Wan Huat Joseph	40,000	0.0028	None	n/a
Dr. Jean Paul Thevenin	None	n/a	None	n/a
Dr. Jan Jozef Skorupa	80,000	0.0057	None	n/a

Land, Buildings and Key Movable Assets

As at 31 December 2014, land and buildings owned by Mermaid and held for investment purposes were as follows:

No.	Description	Location	Calendar Year	Million USD		Ownership
			Purchase Year	Cost	Net Book Value	
1.	Land	Pinthong Industrial Estate, Chonburi, Thailand	2004	0.59	0.59	Freehold
2.	Land	Laem Chabang, Chonburi, Thailand	2001	0.25	0.25	Freehold
3.	Buildings	Built on land at no. (1) above	2005	4.51	1.91	on freehold land

The land and buildings at (1) and (3) were used as offices and the land at (2) remained vacant land.

As at 31 December 2014, Mermaid's key movable assets were seven vessels and two tender rigs owned by its subsidiaries as follows:

No.	Subsidiary Name	Name of Vessels/ Rigs	Calendar Year		Million USD	
			Build Year	Purchase Year	Cost	Net Book Value
1.	Mermaid Subsea Services (Thailand) Ltd.	Mermaid Commander	1987	2005	34.76	9.22
2.	Mermaid Subsea Services (Thailand) Ltd.	Mermaid Challenger	2008	2008	19.90	14.11
3.	Mermaid Subsea Services (Thailand) Ltd.	Mermaid Sapphire	2009	2009	34.08	27.84
4.	Mermaid Subsea Services (Thailand) Ltd.	Mermaid Siam	2002	2010	32.16	23.56
5.	Mermaid Subsea Services (Thailand) Ltd.	Mermaid Endurer	2010	2010	98.11	80.22
6.	PT Seascope Surveys Indonesia	Barakuda	1982	2010	1.98	1.09
7.	Mermaid Subsea Services (Thailand) Ltd.	Mermaid Asiana	2010	2010	83.93	73.59
8.	MTR-1 (Singapore) Pte. Ltd.	MTR-1	1978	2005	15.62	7.83
9.	MTR-2 Ltd.	MTR-2	1981	2005	69.23	34.80

Statistics of Shareholdings as at 31 December 2014

Share Capital

Issued and Fully Paid Up Capital:	Thai Baht 1,413,328,857
Number of Issued Shares:	1,413,328,857
Treasury Shares:	Nil
Number of Shareholders:	4,793
Class of Shares and Voting Rights:	Ordinary shares with equal voting rights

1. Shareholder Base and Voting Rights

The only class of equity securities in Mermaid are ordinary shares. As at 31 December 2014, there were 4,793 shareholders holding a total of 1,413,328,857 ordinary shares in Mermaid.

Each ordinary share is entitled to one (1) vote per one (1) share. In a shareholders' meeting, voting must be by a show of hands, unless at least five (5) shareholders request for a secret vote. Under the Thai Public Companies Act B.E. 2535 (1992), a resolution can be adopted at a general meeting of shareholders by a simple majority of the total number of votes cast of the shareholders who attend the meeting, except in the following matters which require at least three-fourths of the total number of voting rights of all of the shareholders who attend the meeting and have the right to vote:

- the sale or transfer of all or a substantial part of Mermaid's business to any other person or the purchase by Mermaid or acceptance of transfer of the businesses of other companies to Mermaid;
- the making, amendment or termination of contracts relating to the leasing out of all or a substantial part of Mermaid's business, the assignment to any other person to manage Mermaid's business or the consolidation of Mermaid with other persons with an objective towards profit and loss sharing; and
- the increase or reduction of registered capital, issuance of bonds for offer to the public, amalgamation with another company, dissolution or the amendment to the Memorandum of Association and Articles of Association of Mermaid.

To remove a Director before his/her term requires a resolution of a general meeting of shareholders of not less than three-fourths of the number of shareholders who attend the meeting, who have the right to vote, and hold shares in aggregate of not less than half of the total number of shares held by shareholders attending the meeting and entitled to vote.

In addition, to fix the remuneration of Directors requires a resolution of a general meeting of shareholders of not less than two-thirds of all votes presented.

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SHAREHOLDER'S INFORMATION

2. Distribution of Shareholdings

As at 31 December 2014, the distribution of ordinary shares amongst all shareholders was as follows:

No. of Shares	No. of Shareholders	%	Number of Shares	%
1 – 99	254	5.30	3,778	0.00
100 – 1,000	200	4.17	178,842	0.02
1,001 – 10,000	1,893	39.50	12,486,452	0.88
10,001 – 1,000,000	2,419	50.47	131,464,638	9.30
1,000,001 and above	27	0.56	1,269,195,147	89.80
Total	4,793	100.00	1,413,328,857	100.00

3. Details of Substantial Shareholders

As at 31 December 2014, the names of substantial shareholders and a breakdown of their direct and deemed interests as recorded in Mermaid's register of substantial shareholders were as follows:

Name	Direct	Deemed	Total
Thoresen Thai Agencies Public Company Limited ("TTA")	700,000,000 (49.53%)	116,707,813 (8.26%)	816,707,813 (57.79%)
Soleado Holdings Pte. Ltd. ("Soleado") [see Note 1]	96,309,393 (6.81%)	-	96,309,393 (6.81%)
Mr. Chalermchai Mahagitsiri [see Note 2]	150,461,660 (10.65%)	816,707,813 (57.79%)	967,169,473 (68.44%)
Mr. Prayudh Mahagitsiri [see Note 3]	55,081,582 (3.90%)	63,588,647 (4.50%)	118,670,229 (8.40%)
Ms. Ausana Mahagitsiri [see Note 3]	63,588,647 (4.50%)	-	63,588,647 (4.50%)

Note 1: During the financial year period 1 October – 31 December 2014, Soleado acquired 5,375,000 ordinary shares (0.38%) via market transaction.

Note 2: As at 31 December 2014, Mr. Chalermchai Mahagitsiri was the registered holder of 213,428,893 ordinary shares (16.40%) in TTA, Mermaid's substantial shareholder. His associates are Ms. Ausana Mahagitsiri who is a registered holder of 50,568,384 ordinary shares (3.89%) in TTA, Ms. Suvimol Mahagitsiri who is the registered holder of 19,889,445 ordinary shares (1.53%) in TTA and Mr. Prayudh Mahagitsiri who is the registered holder of 3,622,042 ordinary shares (0.28%) in TTA. The combined interest of Mr. Chalermchai Mahagitsiri and his three above mentioned associates in TTA is therefore 287,508,764 ordinary shares (22.10%).

In addition, Mr. Chalermchai Mahagitsiri acquired ownership and control of Raffles Resources 1 Limited, a company that is the registered holder of 69,802,309 ordinary shares (5.36%) in TTA. This resulted in an increase in the collective interest of Mr. Chalermchai Mahagitsiri and his associates in TTA to 357,311,073 ordinary shares (27.46%).

SHAREHOLDER'S INFORMATION

Accordingly, Mr. Chalermchai Mahagitsiri has a deemed interest in the 700,000,000 shares and 116,707,813 shares held in aggregate by TTA, Soleado Holdings Pte. Ltd. ("Soleado") and Athene Holdings Ltd. ("Athene") in the Company. Soleado and Athene is a wholly-owned subsidiary of TTA. Athene is the registered holder of 20,398,420 ordinary shares (1.44%) in Mermaid.

Note 3: Mr. Prayudh Mahagitsiri has a deemed interest in the 63,588,647 shares held by Ms. Ausana Mahagitsiri by virtue of Section 4 of the Securities and Futures Act.

4. Top 20 Largest Shareholders

As at 31 December 2014, the twenty (20) largest holders of ordinary shares in Mermaid on record and the number of shares held by such shareholders were as follows:

No.	Name	Shares	%	Culm. %
1	THORESEN THAI AGENCIES PLC	700,000,000	49.53	49.53
2	HL BANK NOMINEES (S) PTE LTD	251,182,279	17.77	67.30
3	SOLEADO HOLDINGS PTE LTD	86,747,393	6.14	73.44
4	BNP PARIBAS SECURITIES SVCS	42,601,750	3.01	76.45
5	HSBC (SINGAPORE) NOMS PTE LTD	26,999,500	1.91	78.36
6	CITIBANK NOMS S'PORE PTE LTD	24,467,570	1.73	80.09
7	ATHENE HOLDINGS LTD.	20,398,420	1.44	81.54
8	RAFFLES NOMINEES (PTE) LTD	18,930,675	1.34	82.88
9	DBS VICKERS SECS (S) PTE LTD	16,838,446	1.19	84.07
10	DBS NOMINEES PTE LTD	15,161,815	1.07	85.14
11	ABN AMRO NOMS S'PORE PTE LTD	9,438,000	0.67	85.81
12	BNP PARIBAS NOMS S'PORE PL	8,566,200	0.61	86.42
13	UOB KAY HIAN PTE LTD	6,720,350	0.48	86.89
14	PHILLIP SECURITIES PTE LTD	5,961,202	0.42	87.31
15	OCBC SECURITIES PRIVATE LTD	5,500,358	0.39	87.70
16	MAYBANK KIM ENG SECS PTE LTD	4,741,733	0.34	88.04
17	CIMB SEC (S'PORE) PTE LTD	3,598,856	0.25	88.29
18	CHU MENG CHEE	3,350,000	0.24	88.53
19	LEE GEOK HWA	3,065,400	0.22	88.75
20	UNITED OVERSEAS BANK NOMINEES	2,911,000	0.21	88.95

5. Shareholding Held by Public

As at 31 December 2014, the percentage of ordinary shares held in the hand of the public was 23.12%. This is in compliance with Rule 723 of the SGX-ST Listing Manual which requires that at least 10.00% of ordinary shares in Mermaid to be at all times held by the public.

THE COMPANY

Name of Company	<i>Mermaid Maritime Public Company Limited</i>
Place of Incorporation	<i>Kingdom of Thailand</i>
Registration No.	<i>0107550000017</i>
In Business Since	<i>1983</i>
Date of Conversion to Public Company	<i>15 January 2007</i>
Date of Listing	<i>16 October 2007</i>
Place of Listing	<i>Singapore Stock Exchange</i>
Company Secretary	<i>Dr. Vincent Siaw</i>
Corporate Head Office	<i>26/28-29 Orakarn Building, 9th Floor, Soi Chidlom, Ploenchit Road, Kwaeng Lumpinee, Khet Pathumwan, Bangkok 10330 Thailand</i>
Telephone	<i>+662 255 3115 (local dial 02 255 3115) +662 255 3116 (local dial 02 255 3116)</i>
Facsimile	<i>+662 255 1079 (local dial 02 255-1079)</i>
Type of Business	<i>Offshore Drilling Services Subsea Engineering Services</i>
Registered Capital	<i>Baht 1,416,700,697</i>
Paid-up Capital	<i>Baht 1,413,328,857</i>
No. of Issued Shares	<i>1,413,328,857 ordinary shares</i>
Par Value/Share	<i>Baht 1</i>
Corporate Website:	<i>http://www.mermaid-maritime.com</i>
Investor Relations E-mail:	<i>irelations@mermaid-maritime.com</i>

(as at 31 December 2014)





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