

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

Financial statements for the year ended
31 December 2015
and
Independent Auditor's report



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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 2015, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year ended 31 December 2015, 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.



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 2015 and their financial performance and cash flows for the year ended 31 December 2015 in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to Note 15 to the consolidated and separate financial statements. The Group and the Company has recorded impairment charges of US Dollar 163 million and US Dollar 62 million, respectively, for the year ended 31 December 2015.

(Pornthip Rimdusit)
Certified Public Accountant
Registration No. 5565

KPMG Phoomchai Audit Ltd.
Bangkok
29 February 2016

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

Consolidated financial statements					
Assets	<i>Note</i>	31 December		31 December	
		2015	2014	2015	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current assets</i>					
Cash and cash equivalents	6	57,411	89,408	2,071,883	2,947,156
Trade accounts receivable	5,7	114,785	110,779	4,142,430	3,651,608
Other receivables	8	13,825	17,292	498,925	569,996
Receivables from related parties	5	3	4	108	132
Deferred contract costs	9	3,734	5,772	134,755	190,262
Supplies and spare parts		2,519	5,578	90,907	183,868
Dividend receivable	5	6,752	-	243,670	-
Total current assets		199,029	228,833	7,182,678	7,543,022
<i>Non-current assets</i>					
Restricted deposit at financial institution	10	5,849	4,001	211,082	131,885
Investments in associates and joint venture	11	74,797	138,663	2,699,319	4,570,749
Investment properties	13	699	-	25,226	-
Property, plant and equipment	14	214,262	378,262	7,732,416	12,468,650
Goodwill	15	2,066	10,136	74,559	334,113
Intangible assets	16	301	353	10,863	11,636
Deferred tax assets	17	2,507	2,546	90,474	83,924
Other non-current assets		295	558	10,646	18,393
Total non-current assets		300,776	534,519	10,854,585	17,619,350
Total assets		499,805	763,352	18,037,263	25,162,372

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

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

Consolidated financial statements					
Liabilities and equity	<i>Note</i>	31 December		31 December	
		2015	2014	2015	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current liabilities</i>					
Short-term loans from financial institution	<i>18</i>	3,613	-	130,388	-
Trade accounts payable		12,073	29,074	435,698	958,366
Other payables	<i>5,19</i>	52,693	45,557	1,901,616	1,501,695
Current portion of long-term loans					
from financial institutions	<i>18</i>	103,770	8,890	3,744,914	293,041
Current portion of finance lease liabilities	<i>18</i>	24	35	866	1,154
Share purchase consideration payable	<i>4</i>	-	1,739	-	57,323
Income tax payable		754	2,140	27,211	70,541
Total current liabilities		172,927	87,435	6,240,693	2,882,120
<i>Non-current liabilities</i>					
Long-term loans from financial institutions	<i>18</i>	-	103,770	-	3,420,571
Finance lease liabilities	<i>18</i>	17	18	614	593
Deferred tax liabilities	<i>17</i>	2,825	3,296	101,950	108,646
Employee benefit obligations	<i>20</i>	2,997	2,899	108,158	95,560
Total non-current liabilities		5,839	109,983	210,722	3,625,370
Total liabilities		178,766	197,418	6,451,415	6,507,490

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

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

		Consolidated financial statements			
		31 December		31 December	
Liabilities and equity	<i>Note</i>	2015	2014	2015	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Equity					
Share capital	21				
Authorised share capital		-	-	1,416,701	1,416,701
Issued and paid-up share capital		47,322	47,322	1,413,329	1,413,329
Premium on share capital	21	422,563	422,563	13,558,613	13,558,613
Retained earnings (Deficit)					
Appropriated	22	4,503	4,503	141,670	141,670
Unappropriated (Deficit)		(151,031)	90,278	(5,558,241)	2,940,066
Other components of equity		(1,790)	(501)	2,052,530	541,712
Equity attributable to owners of the Company		321,567	564,165	11,607,901	18,595,390
Non-controlling interests		(528)	1,769	(22,053)	59,492
Total equity		321,039	565,934	11,585,848	18,654,882
Total liabilities and equity		499,805	763,352	18,037,263	25,162,372

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

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

Separate financial statements					
Assets	<i>Note</i>	31 December		31 December	
		2015	2014	2015	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current assets</i>					
Cash and cash equivalents	<i>6</i>	22,990	58,232	829,677	1,919,501
Other receivables	<i>8</i>	118	171	4,258	5,637
Receivables from related parties	<i>5</i>	133,115	125,043	4,803,934	4,121,793
Short-term loans to related parties	<i>5</i>	130,008	136,507	4,691,807	4,499,680
Dividend receivable	<i>5</i>	9,600	9,600	346,451	316,445
Total current assets		295,831	329,553	10,676,127	10,863,056
<i>Non-current assets</i>					
Investments in joint venture	<i>11</i>	213	213	7,687	7,021
Investments in subsidiaries	<i>12</i>	122,177	184,273	4,409,197	6,074,191
Investment properties	<i>13</i>	2,481	-	89,536	-
Property, plant and equipment	<i>14</i>	205	3,071	7,398	101,229
Intangible assets	<i>16</i>	73	97	2,634	3,197
Deferred tax assets	<i>17</i>	26	25	938	824
Other non-current assets		37	37	1,335	1,220
Total non-current assets		125,212	187,716	4,518,725	6,187,682
Total assets		421,043	517,269	15,194,852	17,050,738

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

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

		Separate financial statements			
		31 December		31 December	
Liabilities and equity	<i>Note</i>	2015	2014	2015	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current liabilities</i>					
Other payables	5,19	36,630	36,931	1,321,925	1,217,358
Income tax payable		754	1,068	27,211	35,204
Total current liabilities		37,384	37,999	1,349,136	1,252,562
<i>Non-current liabilities</i>					
Employee benefit obligations	20	103	131	3,717	4,318
Total non-current liabilities		103	131	3,717	4,318
Total liabilities		37,487	38,130	1,352,853	1,256,880
<i>Equity</i>					
Share capital	21				
Authorised share capital		-	-	1,416,701	1,416,701
Issued and paid-up share capital		47,322	47,322	1,413,329	1,413,329
Premium on share capital	21	422,563	422,563	13,558,613	13,558,613
Differences arising from common control transactions	22	(7,406)	(7,406)	(239,757)	(239,757)
Retained earnings (Deficit)					
Appropriated	22	4,503	4,503	141,670	141,670
Unappropriated (Deficit)		(83,454)	12,129	(2,912,853)	436,857
Other components of equity		28	28	1,880,997	483,146
Total equity		383,556	479,139	13,841,999	15,793,858
Total liabilities and equity		421,043	517,269	15,194,852	17,050,738

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

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

Consolidated financial statements					
		Year ended	Period from	Year ended	Period from
		31 December	1 October 2014	31 December	1 October 2014
<i>Note</i>		2015	2014	2015	2014
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Income					
Revenue from rendering of services	5	336,586	98,890	11,527,296	3,234,741
Interest income		197	103	6,747	3,369
Net gain on foreign exchange		1,733	323	59,351	10,565
Other income	5	258	244	8,836	7,981
Total income		338,774	99,560	11,602,230	3,256,656
Expenses					
Cost of rendering of services	24	303,531	86,518	10,395,239	2,830,047
Administrative expenses	5,25	49,010	10,628	1,678,482	347,647
Impairment losses	15	163,275	1,513	5,851,107	49,491
Finance costs	27	3,410	859	116,785	28,098
Total expenses		519,226	99,518	18,041,613	3,255,283
Share of profit (loss) of investments in associates and joint venture	11	(50,362)	7,026	(1,724,783)	229,824
Profit (loss) before income tax expense		(230,814)	7,068	(8,164,166)	231,197
Income tax expense	28	(529)	(2,726)	(18,117)	(89,169)
Profit (loss) for the year / period		(231,343)	4,342	(8,182,283)	142,028
Other comprehensive income (loss)					
Items that will never be reclassified to profit or loss					
Defined benefit plan actuarial gains (losses), net of tax	20	99	(31)	3,391	(1,014)
Items that are or may be reclassified to profit or loss					
Exchange differences on translating financial statements		(1,355)	(256)	(46,405)	(8,374)
Translation adjustments		-	-	1,554,963	332,326
Other comprehensive income (loss) for the year / period, net of income tax		(1,256)	(287)	1,511,949	322,938
Total comprehensive income (loss) for the year / period		(232,599)	4,055	(6,670,334)	464,966
Profit (loss) attributable to:					
Owners of the Company		(229,112)	4,323	(8,102,998)	141,407
Non-controlling interests		(2,231)	19	(79,285)	621
Profit (loss) for the year / period		(231,343)	4,342	(8,182,283)	142,028

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

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

Consolidated financial statements				
	Year ended	Period from	Year ended	Period from
	31 December	1 October 2014	31 December	1 October 2014
<i>Note</i>	2015	to 31 December	2015	to 31 December
	2014		2014	
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Total comprehensive income (loss)				
attributable to:				
Owners of the Company	(230,302)	4,049	(6,588,789)	464,771
Non-controlling interests	(2,297)	6	(81,545)	195
Total comprehensive income (loss) for the year / period	<u>(232,599)</u>	<u>4,055</u>	<u>(6,670,334)</u>	<u>464,966</u>
Earnings (losses) per share	<i>(in US Dollar)</i>		<i>(in Baht)</i>	
Basic earnings (losses) per share	30 <u>(0.162)</u>	<u>0.003</u>	30 <u>(5.733)</u>	<u>0.100</u>
Diluted earnings (losses) per share	30 <u>(0.162)</u>	<u>0.003</u>	30 <u>(5.733)</u>	<u>0.100</u>

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

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

	Note	Separate financial statements			
		Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Income					
Management fee income	5	1,840	479	63,016	15,668
Interest income	5	4,259	1,217	145,861	39,809
Dividend income	5	6,150	9,600	210,623	314,021
Other income	5	477	121	16,336	3,958
Total income		12,726	11,417	435,836	373,456
Expenses					
Administrative expenses	5,25	11,906	1,809	407,752	59,173
Impairment losses on investments in subsidiaries	15	62,096	-	2,225,267	-
Net loss on foreign exchange		21,258	4,737	728,038	154,950
Total expenses		95,260	6,546	3,361,057	214,123
Profit (loss) before income tax expense		(82,534)	4,871	(2,925,221)	159,333
Income tax expense	28	(753)	(46)	(25,789)	(1,505)
Profit (loss) for the year / period		(83,287)	4,825	(2,951,010)	157,828
Other comprehensive income (loss)					
Items that will never be reclassified to profit or loss					
Defined benefit plan actuarial losses, net of tax	20	-	(19)	-	(621)
Items that are or may be reclassified to profit or loss					
Translation adjustments		-	-	1,397,851	280,955
Other comprehensive income (loss) for the year / period, net of income tax		-	(19)	1,397,851	280,334
Total comprehensive income (loss) for the year / period		(83,287)	4,806	(1,553,159)	438,162
Earnings (losses) per share					
		<i>(in US Dollar)</i>		<i>(in Baht)</i>	
Basic earnings (losses) per share	30	(0.059)	0.003	(2.088)	0.112
Diluted earnings (losses) per share	30	(0.059)	0.003	(2.088)	0.112

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

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

	Consolidated financial statements											
	Retained earnings					Other components of equity						
	Issued and paid-up share capital	Premium on share capital	Appropriated	Unappropriated	Currency translation differences	Share-based payment	Changes in ownership interests	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity	
Year ended 31 December 2015												
Balance at 1 January 2015	47,322	422,563	4,503	90,278	2,637	28	(3,166)	(501)	564,165	1,769	565,934	
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners of the Company</i>												
Dividends to owners of the Company	-	-	-	(12,296)	-	-	-	-	(12,296)	-	(12,296)	
Total contributions by and distributions to owners of the Company	-	-	-	(12,296)	-	-	-	-	(12,296)	-	(12,296)	
Total transactions with owners, recorded directly in equity	-	-	-	(12,296)	-	-	-	-	(12,296)	-	(12,296)	
Comprehensive income for the year												
Profit or loss	-	-	-	(229,112)	-	-	-	-	(229,112)	(2,231)	(231,343)	
Defined benefit plan actuarial gains, net of tax	-	-	-	99	-	-	-	-	99	-	99	
Exchange differences on translating financial statements	-	-	-	-	(1,289)	-	-	(1,289)	(1,289)	(66)	(1,355)	
Total comprehensive income for the year	-	-	-	(229,013)	(1,289)	-	-	(1,289)	(230,302)	(2,297)	(232,599)	
Balance at 31 December 2015	47,322	422,563	4,503	151,031	1,348	28	(3,166)	(1,790)	321,567	(528)	321,039	

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

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

	Consolidated financial statements							Total equity			
	Retained earnings			Other components of equity							
	Issued and paid-up share capital	Premium on share capital	Appropriated	Unappropriated	Currency translation differences	Share-based payment	Changes in ownership interests		Total other components of equity		
Year ended 31 December 2015											
Balance at 1 January 2015	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
Transactions with owners, recorded directly in equity											
<i>Contributions by and distributions to owners of the Company</i>											
Dividends to owners of the Company	-	-	-	(398,700)	-	-	-	-	(398,700)	-	(398,700)
<i>Total contributions by and distributions to owners of the Company</i>	-	-	-	(398,700)	-	-	-	-	(398,700)	-	(398,700)
Total transactions with owners, recorded directly in equity	-	-	-	(398,700)	-	-	-	-	(398,700)	-	(398,700)
Comprehensive income for the year											
Profit or loss	-	-	-	(8,102,998)	-	-	-	-	(8,102,998)	(79,285)	(8,182,283)
Defined benefit plan actuarial gains, net of tax	-	-	-	3,391	-	-	-	-	3,391	-	3,391
Exchange differences on translating financial statements	-	-	-	-	1,510,818	-	-	-	1,510,818	(2,260)	1,508,558
Total comprehensive income for the year	-	-	-	(8,099,607)	1,510,818	-	-	-	1,510,818	(81,545)	(6,670,334)
Balance at 31 December 2015	1,413,329	13,558,613	141,670	(5,558,241)	2,163,139	874	(111,483)	2,052,530	11,607,901	(22,053)	11,585,848

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

Mermaid Maritime Public Company Limited and its Subsidiaries

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		Share-based payment	
				Appropriated	Unappropriated		
Note				<i>(in thousand US Dollar)</i>			
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	474,288
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Issues of ordinary shares	8	50	-	-	-	(16)	42
Share-based payment transactions	-	-	-	-	-	3	3
<i>Total contributions by and distributions to owners of the Company</i>	8	50	-	-	-	(13)	45
Total transactions with owners, recorded directly in equity	8	50	-	-	-	(13)	45
Comprehensive income for the period							
Profit or loss	-	-	-	-	4,825	-	4,825
Defined benefit plan actuarial losses, net of tax	-	-	-	-	(19)	-	(19)
Total comprehensive income for the period	-	-	-	-	4,806	-	4,806
Balance at 31 December 2014	47,322	422,563	(7,406)	4,503	12,129	28	479,139

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

Mermaid Maritime Public Company Limited and its Subsidiaries
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 control transactions	Appropriated	Unappropriated	Currency translation differences	Share-based payment		Total other components of equity
Period from 1 October 2014 to 31 December 2014	1,413,081	13,557,016	(239,757)	141,670	279,650	201,317	1,290	202,607	15,354,267
Balance at 1 October 2014									
Transactions with owners, recorded directly in equity									
<i>Contributions by and distributions to owners of the Company</i>									
Issues of ordinary shares	248	1,597	-	-	-	-	(512)	(512)	1,333
Share-based payment transactions	-	-	-	-	-	-	96	96	96
Total contributions by and distributions to owners of the Company	248	1,597	-	-	-	-	(416)	(416)	1,429
Total transactions with owners, recorded directly in equity	248	1,597	-	-	-	-	(416)	(416)	1,429
Comprehensive income for the period									
Profit or loss	-	-	-	-	157,828	-	-	-	157,828
Defined benefit plan actuarial losses, net of tax	-	-	-	-	(621)	-	-	-	(621)
Exchange differences on translating financial statements	-	-	-	-	-	280,955	-	280,955	280,955
Total comprehensive income for the period	-	-	-	-	157,207	280,955	-	280,955	438,162
Balance at 31 December 2014	1,413,329	13,558,613	(239,757)	141,670	436,857	482,272	874	483,146	15,793,858

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

Mermaid Maritime Public Company Limited and its Subsidiaries
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	Currency translation differences	Share-based payment		Other components of equity
<i>Note</i>									
Year ended 31 December 2015									
Balance at 1 January 2015	1,413,329	13,558,613	(239,757)	141,670	436,857	482,272	874	483,146	
Transactions with owners, recorded directly in equity									
<i>Contributions by and distributions to owners of the Company</i>									
Dividends to owners of the Company	-	-	-	-	(398,700)	-	-	-	
<i>Total contributions by and distributions to owners of the Company</i>	-	-	-	-	(398,700)	-	-	-	
Total transactions with owners, recorded directly in equity	-	-	-	-	(398,700)	-	-	-	
Comprehensive income for the year									
Profit or loss	-	-	-	-	(2,951,010)	-	-	-	
Exchange differences on translating financial statements	-	-	-	-	-	1,397,851	-	1,397,851	
Total comprehensive income for the year	-	-	-	-	(2,951,010)	1,397,851	-	(1,553,159)	
Balance at 31 December 2015	1,413,329	13,558,613	(239,757)	141,670	(2,912,853)	1,880,123	874	1,880,997	

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

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

	Consolidated financial statements			
	Year ended	Period from	Year ended	Period from
	31 December	1 October 2014	31 December	1 October 2014
	2015	2014	2015	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>				
Profit (loss) for the year / period	(231,343)	4,342	(8,182,283)	142,028
<i>Adjustments for:</i>				
Depreciation	32,340	7,497	1,107,571	245,231
Amortisation	2,323	612	79,557	20,019
Interest income	(197)	(103)	(6,747)	(3,369)
Finance costs	3,410	859	116,785	28,098
Bad debt expenses	188	-	6,785	-
Share-based payment	-	3	-	96
Net gain on disposals and write-offs				
of property, plant and equipment and intangible assets	(27)	(167)	(925)	(5,463)
Impairment losses on property, plant and equipment				
and related supplies and spare parts	155,205	1,513	5,561,911	49,491
Impairment losses on goodwill	8,070	-	289,196	-
Unrealised gain on exchange rates	(422)	(355)	(14,453)	(11,612)
Employee benefit obligations	561	227	19,213	7,425
Loss from write-off of outstanding withholding taxes	13,448	2,034	460,563	66,533
Share of (profit) loss of investments in associates and				
joint venture, net off tax	50,362	(7,026)	1,724,783	(229,824)
Income tax expense	529	2,726	18,117	89,169
Cash flows from operations before changes				
in operating assets and liabilities	34,447	12,162	1,180,073	397,822
<i>Changes in operating assets and liabilities</i>				
Restricted deposit at financial institution	(1,848)	-	(66,692)	-
Trade accounts receivable	(4,194)	(930)	(151,356)	(30,656)
Receivables from related parties	-	25	-	824
Other receivables	2,410	1,662	86,973	54,785
Supplies and spare parts	316	214	11,404	7,054
Other non-current assets	264	30	9,527	989
Trade accounts payable	(17,008)	11,264	(613,795)	371,295
Other payables	3,461	3,447	124,902	112,536
Exchange rate (gains) losses from translating				
financial statements	(1,355)	(255)	220,683	27,600
Cash generated from operating activities	16,493	27,619	801,719	942,249
Finance costs paid	(3,300)	(844)	(113,017)	(27,608)
Employee benefits paid	(332)	(49)	(11,370)	(1,603)
Income tax paid	(6,551)	(3,463)	(224,357)	(113,276)
Net cash from operating activities	6,310	23,263	452,975	799,762

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
<i>Cash flows from investing activities</i>				
Interest received	203	185	7,326	6,098
Dividend received from associates	6,752	-	243,670	-
Decrease in short-term deposit at financial institution	-	25,012	-	824,471
Payment for investments in subsidiaries	(1,739)	-	(62,758)	-
Proceeds from disposals of property, plant and equipment and intangible assets	282	236	10,177	7,779
Payment for purchases of property, plant and equipment and intangible assets	(25,131)	(10,268)	(899,543)	(338,464)
Net cash from (used in) investing activities	(19,633)	15,165	(701,128)	499,884
<i>Cash flows from financing activities</i>				
Dividends paid to shareholders	(12,296)	-	(398,700)	-
Finance lease payments	(41)	(9)	(1,480)	(297)
Proceeds from short-term loans from financial institutions	7,989	-	288,312	-
Repayments of short-term loans from financial institutions	(4,376)	-	(157,920)	-
Repayments of long-term loans from financial institutions	(9,000)	(4,750)	(324,797)	(156,574)
Proceeds from issue of ordinary shares	-	42	-	1,334
Net cash used in financing activities	(17,724)	(4,717)	(594,585)	(155,537)
Net increase (decrease) in cash and cash equivalents	(31,047)	33,711	(842,738)	1,144,109
Cash and cash equivalents at 1 January / 1 October	89,408	55,841	2,947,156	1,807,757
Effects of exchange rate changes on balances held in foreign currencies	(950)	(144)	(32,535)	(4,710)
Cash and cash equivalents at 31 December	57,411	89,408	2,071,883	2,947,156
<i>Non-cash transactions</i>				
Receivable for sales of property, plant and equipment	16	-	577	-
Payables for purchase of property, plant and equipment and intangible assets	470	2,431	16,962	80,331
Payable for purchase of shares in subsidiaries	-	1,739	-	57,323
Finance lease agreements for purchases of equipment	40	63	1,444	2,077
Dividend receivable	6,752	-	243,670	-

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of cash flows

	Separate financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
<i>Cash flows from operating activities</i>				
Profit (loss) for the year / period	(83,287)	4,825	(2,951,010)	157,828
<i>Adjustments for:</i>				
Depreciation	439	116	15,035	3,794
Amortisation	34	8	1,164	262
Interest income	(4,259)	(1,217)	(145,861)	(39,809)
Dividend income	(6,150)	(9,600)	(210,623)	(314,021)
Bad debt expenses	5,956	-	214,943	-
Share-based payment	-	3	-	96
Impairment losses on investments in subsidiaries	62,096	-	2,225,267	-
Unrealised loss on exchange rates	21,177	4,517	725,263	147,753
Employee benefit obligations	26	8	890	262
Income tax expense	753	46	25,789	1,505
Cash flows from operations before changes in operating assets and liabilities	(3,215)	(1,294)	(99,143)	(42,330)
<i>Changes in operating assets and liabilities</i>				
Receivables from related parties	(23,938)	(1,911)	(863,889)	(62,992)
Other receivables	90	(59)	3,248	(4,369)
Other payables	(298)	137	(10,754)	4,516
Exchange rate loss from translating financial statements	-	-	129,032	17,463
Cash used in operating activities	(27,361)	(3,127)	(841,506)	(87,712)
Employee benefits paid	(54)	-	(1,849)	-
Income tax paid	(1,119)	(20)	(38,323)	(654)
Net cash used in operating activities	(28,534)	(3,147)	(881,678)	(88,366)
<i>Cash flows from investing activities</i>				
Interest received	4,273	1,282	154,207	42,259
Dividends received	6,150	-	210,623	-
Decrease in short-term deposit at financial institution	-	25,012	-	824,471
Short-term loans received from related parties	2,396	9,192	86,500	302,938
Short-term loans provided to related parties	(7,069)	-	(255,110)	-
Payment for purchases of property, plant and equipment and intangible assets	(64)	(17)	(2,310)	(561)
Net cash from investing activities	5,686	35,469	193,910	1,169,107

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of cash flows

	Separate financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
<i>Cash flows from financing activities</i>				
Dividends paid to shareholders	(12,296)	-	(398,700)	-
Proceeds from issue of ordinary shares	-	42	-	1,334
Net cash from (used in) financing activities	(12,296)	42	(398,700)	1,334
Net increase (decrease) in cash and cash equivalents	(35,144)	32,364	(1,086,468)	1,082,075
Cash and cash equivalents at 1 January / 1 October	58,232	25,888	1,919,501	838,080
Effects of exchange rate changes on balances held in foreign currencies	(98)	(20)	(3,356)	(654)
Cash and cash equivalents at 31 December	22,990	58,232	829,677	1,919,501
<i>Non-cash transactions</i>				
Amount due from disposals of investments in associates under common control transactions	80,352	87,965	2,899,791	2,899,591
Dividend receivable	9,600	9,600	346,451	316,445

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Acquisitions
5	Related parties
6	Cash and cash equivalents
7	Trade accounts receivable
8	Other receivables
9	Deferred contract cost
10	Restricted deposit at financial institution
11	Investments in associates and joint venture
12	Investments in subsidiaries
13	Investment properties
14	Property, plant and equipment
15	Impairment losses
16	Intangible assets
17	Deferred tax
18	Interest-bearing liabilities
19	Other payables
20	Employee benefit obligations
21	Share capital
22	Reserves
23	Segment information
24	Cost of rendering of services
25	Administrative expenses
26	Employee benefit expense
27	Finance costs
28	Income tax expense
29	Promotional privileges
30	Earnings (losses) per share
31	Dividends
32	Financial instruments
33	Guarantees
34	Commitments with non-related parties
35	Share-based payments
36	Establishment of a multi-currency debt issuance programme
37	Thai Financial Reporting Standards (TFRS) not yet adopted

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the 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 29 February 2016.

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 joint venture as at 31 December 2015 and 2014 were as follows:

Name of the entities	Nature of business	Country of incorporation	Direct/indirect Holding (%)	
			31 December 2015	31 December 2014
<i>Subsidiaries</i>				
Mermaid Subsea Services (Thailand) 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
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 Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Name of the entities	Nature of business	Country of incorporation	Direct/indirect Holding (%)	
			31	31
			December 2015	December 2014
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.	”	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	95.0
Mermaid Subsea 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>Joint venture</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.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the 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 new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2015. 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 and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2016 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 37.

(b) *Basis of measurement*

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

<i>Items</i>	<i>Measurement bases</i>
Net defined benefit liability	Present value of the defined benefit obligation, limited as explained in Note 3(m)

(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 judgements and estimates*

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 these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 15	Key assumptions used in discounted cash flow projections
Note 17	Utilisation of tax losses
Note 20	Measurement of defined benefit obligation
Note 32	Valuation of financial instruments
Note 35	Measurement of share-based payment

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Measurement of fair values

A number of the Group's disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 13 – Investment properties; and
- Note 32 – Financial instruments.

(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.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the 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 joint ventures.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group 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 (NCI) 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, and 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 the Guideline issued in 2009 by the FAP.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

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 equity-accounted investees 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

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

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.

(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 joint ventures

Investments in associates, subsidiaries and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investment in joint ventures 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.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

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) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Buildings and building improvement	10 and 20 years
------------------------------------	-----------------

No depreciation is provided on freehold land.

(h) 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.

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.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

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.

(i) Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. 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

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Amortisation

Amortisation is based on 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 periods 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.

(j) 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.

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 other 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.

(k) 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.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

(l) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(m) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to 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. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid 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 equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

(n) 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.

(o) 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.

(p) 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.

(q) 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.

(r) 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.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

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 joint ventures 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.

(s) *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.

(t) *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.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

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	<u>266</u>	<u>8,768</u>

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 was paid in March 2015.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the 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 & 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	Pricing policies
Revenue from rendering of services	Prices normally charged to a third party
Management fee income	Actual cost plus margin
Interest income and interest expenses	Market linked rate / Borrowing costs of the lender
Rental income	Actual cost plus margin
Other income	Actual cost plus margin
Other administrative expenses	Actual cost plus margin
Management benefit expenses	Amount approved by the directors and/or the shareholders
Dividend income	Right to receive dividends

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Significant transactions for the year ended 31 December 2015 and for the period from 1 October 2014 to 31 December 2014 with related parties were as follows:

	Consolidated financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Parent				
Rental income	42	13	1,438	425
Other administrative expenses	68	12	2,329	393
Joint venture				
Revenue from rendering of services	77,976	21,153	2,670,499	691,925
Other related parties				
Other administrative expenses	3	-	103	-
Key management personnel compensation				
Short-term employee benefits	923	268	31,611	8,766
Post-employment benefits and other long-term benefits	1	-	34	-
Total key management personnel compensation	924	268	31,645	8,766
Separate financial statements				
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Parent				
Rental income	42	13	1,438	425
Other administrative expenses	26	1	890	33
Subsidiaries				
Dividend income	6,150	9,600	210,623	314,021
Management fee income	1,840	479	63,016	15,668
Interest income	4,108	1,147	140,690	37,519
Rental income	360	90	12,329	2,944
Other income	72	18	2,466	589
Other administrative expenses	17	4	582	131
Other related parties				
Other administrative expenses	3	-	103	-
Key management personnel compensation				
Short-term employee benefits	561	175	19,213	5,725
Post-employment benefits and other long-term benefits	1	-	34	-
Total key management personnel compensation	562	175	19,247	5,725

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Balances as at 31 December 2015 and 2014 with related parties were as follows:

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Trade accounts receivable from related parties				
Joint venture	43,966	33,202	1,586,671	1,094,438
Total	43,966	33,202	1,586,671	1,094,438
Receivables from related parties				
Parent	3	4	108	132
Total	3	4	108	132
Dividend receivable				
Associates	6,752	-	243,670	-
Total	6,752	-	243,670	-
Payables to related parties				
Parent	8	4	289	132
Total	8	4	289	132
Separate financial statements				
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Receivables from related parties				
Parent	3	4	108	132
Subsidiaries	58,716	37,074	2,118,978	1,222,070
Subsidiaries - transferred investments in associates under common control	80,352	87,965	2,899,791	2,899,591
Total	139,071	125,043	5,018,877	4,121,793
Less allowance for doubtful account	(5,956)	-	(214,943)	-
Net	133,115	125,043	4,803,934	4,121,793
Bad and doubtful debts expense for the year / period	5,956	-	214,943	-
Short-term loans to related parties				
Subsidiaries	130,008	136,507	4,691,807	4,499,680
Total	130,008	136,507	4,691,807	4,499,680
Dividend receivable				
Subsidiaries	9,600	9,600	346,451	316,445
Total	9,600	9,600	346,451	316,445
Payables to related parties				
Parent	8	-	289	-
Subsidiaries	35,364	35,362	1,276,237	1,165,638
Total	35,372	35,362	1,276,526	1,165,638

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Movements of short-term loans to related parties, excluding interest receivables from related parties, during for the year ended 31 December 2015 and for the period from 1 October 2014 to 31 December 2014 were as follows:

	Separate financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
<i>Subsidiaries</i>				
At 1 January / 1 October	136,507	147,800	4,499,680	4,784,774
Increases	7,069	-	255,110	-
Decreases	(2,413)	(8,963)	(87,082)	(295,447)
Realised gains (losses) on exchange rates	17	(229)	582	(7,491)
Unrealised gains (losses) on exchange rates	(11,172)	(2,101)	(382,615)	(68,725)
Translation adjustments	-	-	406,132	86,569
At 31 December	130,008	136,507	4,691,807	4,499,680

All short-term loans to related parties are unsecured and have repayment terms at call. The Company's short-term loans to related parties bear fixed interest at 2.75% and 6.00% per annum and are denominated in Thai Baht and US Dollar.

6 Cash and cash equivalents

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Cash on hand	124	130	4,475	4,285
Cash at bank	57,287	89,278	2,067,408	2,942,871
Total	57,411	89,408	2,071,883	2,947,156

	Separate financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Cash on hand	2	2	72	66
Cash at bank	22,988	58,230	829,605	1,919,435
Total	22,990	58,232	829,677	1,919,501

7 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements			
		2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Joint venture	5	43,966	33,202	1,586,671	1,094,438
Other parties		62,692	62,022	2,262,467	2,044,431
Accrued income		8,315	15,555	300,077	512,739
Total		114,973	110,779	4,149,215	3,651,608
Less allowance for doubtful account		(188)	-	(6,785)	-
Net		114,785	110,779	4,142,430	3,651,608
Bad and doubtful debts expense for the year / period		188	-	6,785	-

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Within credit terms	37,717	72,990	1,361,154	2,405,969
Overdue:				
Less than 3 months	56,930	30,683	2,054,524	1,011,404
3-6 months	18,619	6,508	671,934	214,523
6-12 months	1,286	589	46,410	19,415
Over 12 months	421	9	15,193	297
	<u>114,973</u>	<u>110,779</u>	<u>4,149,215</u>	<u>3,651,608</u>
Less allowance for doubtful account	(188)	-	(6,785)	-
	<u>114,785</u>	<u>110,779</u>	<u>4,142,430</u>	<u>3,651,608</u>

The normal credit term granted by the Group ranges from 30 days to 90 days.

Full allowance for doubtful accounts has been set up for all trade accounts receivable which management considers as non-collectible.

8 Other receivables

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Input taxes awaiting invoice	5,433	1,329	196,069	43,808
Withholding taxes	4,202	1,641	151,644	54,092
Prepaid expenses	1,780	4,626	64,238	152,487
Advances for business expenses	900	2,951	32,480	97,274
Deferred mobilisation cost	843	1,631	30,423	53,763
Advances to employees	330	618	11,909	20,371
Value added tax refundable	135	3,403	4,872	112,173
Others	202	1,093	7,290	36,028
Total	<u>13,825</u>	<u>17,292</u>	<u>498,925</u>	<u>569,996</u>

	Separate financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Withholding taxes	52	-	1,877	-
Prepaid expenses	43	117	1,552	3,857
Value added tax refundable	12	4	433	132
Accrued interest income	8	22	289	725
Others	3	28	107	923
Total	<u>118</u>	<u>171</u>	<u>4,258</u>	<u>5,637</u>

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

9 Deferred contract cost

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
At 1 January / 1 October	5,772	6,282	190,262	203,369
Amortisation	(2,038)	(510)	(69,797)	(16,682)
Translation adjustments	-	-	14,290	3,575
At 31 December	<u>3,734</u>	<u>5,772</u>	<u>134,755</u>	<u>190,262</u>

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.

The US Dollar 9.0 million was related to securing the IRM Contract that was being executed by a joint venture, 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.

10 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.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

11 Investments in associates and joint venture

Details as at 31 December 2015 and 2014 were as follows:

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Associates				
At 1 January / 1 October	138,248	131,375	4,557,069	4,253,042
Share of profits before impairment loss of associates	14,152	6,873	484,673	224,819
Share of impairment loss on property, plant and equipment of associates	(65,175)	-	(2,232,094)	-
Dividend income	(13,504)	-	(462,481)	-
Translation adjustments	-	-	313,321	79,208
At 31 December	73,721	138,248	2,660,488	4,557,069
Joint venture				
At 1 January / 1 October	415	262	13,680	8,482
Share of profits of joint venture	661	153	22,638	5,005
Translation adjustments	-	-	2,513	193
At 31 December	1,076	415	38,831	13,680
Total				
At 1 January / 1 October	138,663	131,637	4,570,749	4,261,524
Share of profits before impairment loss of associates and joint venture	14,813	7,026	507,311	229,824
Share of impairment loss on property, plant and equipment of associates	(65,175)	-	(2,232,094)	-
Dividend income	(13,504)	-	(462,481)	-
Translation adjustments	-	-	315,834	79,401
At 31 December	74,797	138,663	2,699,319	4,570,749
Separate financial statements				
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Joint venture				
At 1 January / 1 October	213	213	7,021	6,896
Translation adjustments	-	-	666	125
At 31 December	213	213	7,687	7,021

During the year ended 31 December 2015 there were no acquisitions or disposals of investment in associates and joint venture.

The Group's interest in an associate, while maintaining equity accounting in the associate, was diluted in July 2011. The loss on dilution of US Dollar 5.7 million was recognised in the Group's share of profits before impairment loss of associates for the year ended 31 December 2015.

On 27 February 2015, the Group's associate declared dividends of US Dollar 0.33 per share, which totalled US Dollar 6.75 million attributable to the Group. The Group's associate made payment to the Group on 4 March 2015.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

On 23 December 2015, the Group's associate declared dividends of US Dollar 0.333 per share, which totalled US Dollar 6.75 million attributable to the Group and remained receivable as at 31 December 2015 (Note 5). The Group's associate made payment to the Group on 14 January 2016.

The continuing drop in oil prices during the year 2015 impacted the overall business of the Group's associates as it led to reduced activity and contracts for offshore drilling services. Additionally, with more offshore rigs in the market coming off contract and new builds yet to be delivered, the drilling rig supply and demand imbalance will continue to have a negative impact on utilisation and day rates. These have been important factors indicating that the assets held by the Group's associates may be impaired.

During the year 2015, the Group's associates recognised an impairment charge of US Dollar 193 million (equivalent to Baht 6,610 million) on certain drilling rigs as a result of lower recoverable amounts compared to carrying amounts. The Group's share of this impairment charge amounted to US Dollar 65 million (equivalent to Baht 2,226 million).

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Investments in associates and joint venture as at 31 December 2015 and 2014, and dividend income from those investments for the year ended 31 December 2015 and the period from 1 October 2014 to 31 December 2014, were as follows:

Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity		Dividend income	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	Year ended 31 December 2015	Year ended 31 December 2014	Period from 1 October 2014 to 31 December 2014	
		(%)						(in thousand US Dollar)			
Associates											
Group of AOD Companies ^(A)	Bermuda	33.76	33.76	USD 60 million	USD 60 million	97,582	97,582	73,721	138,248	13,504	-
						<u>97,582</u>	<u>97,582</u>	<u>73,721</u>	<u>138,248</u>	<u>13,504</u>	<u>-</u>
Joint venture											
Zamil Mermaid Offshore Services Co. (LLC)	Saudi Arabia	40.00	40.00	SAR 2 million	SAR 2 million	213	213	1,076	415	-	-
						<u>213</u>	<u>213</u>	<u>1,076</u>	<u>415</u>	<u>-</u>	<u>-</u>
Total						<u>97,795</u>	<u>97,795</u>	<u>74,797</u>	<u>138,663</u>	<u>-</u>	<u>-</u>

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Type of business	Country of incorporation	Ownership interest		Paid-up capital	Cost		Equity		Dividend income		
		31 December 2015	31 December 2014		31 December 2015	31 December 2014	Year ended 31 December 2015	Year ended 31 December 2014	Period from 1 October 2014 to 31 December 2014		
Associates											
Group of AOD Companies ^(A)	Bermuda	33.76	33.76	USD 60 million	USD 60 million	3,521,598	3,216,595	2,660,488	4,557,069	462,481	-
						<u>3,521,598</u>	<u>3,216,595</u>	<u>2,660,488</u>	<u>4,557,069</u>	<u>462,481</u>	<u>-</u>
<i>(in thousand Baht)</i>											
Joint venture											
Zamil Mermaid Offshore Services Co. (LLC)	Saudi Arabia	40.00	40.00	SAR 2 million	SAR 2 million	7,687	7,021	38,831	13,680	-	-
						<u>7,687</u>	<u>7,021</u>	<u>38,831</u>	<u>13,680</u>	<u>-</u>	<u>-</u>
Total						<u>3,529,285</u>	<u>3,223,616</u>	<u>2,699,319</u>	<u>4,570,749</u>	<u>-</u>	<u>-</u>

^(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.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Associates

The following table summarises the financial information of the associates as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

	Associates			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Revenue	113,900	35,939	3,900,813	1,164,528
Profit (loss) from continuing operations	<u>(134,761)</u>	20,305	<u>(4,615,254)</u>	657,941
Total comprehensive income	<u>(134,761)</u>	<u>20,305</u>	<u>(4,615,254)</u>	<u>657,941</u>
Current assets	88,722	68,547	3,201,853	2,259,515
Non-current assets	472,775	687,487	17,061,788	22,661,634
Current liabilities	(63,264)	(37,534)	(2,283,109)	(1,237,233)
Non-current liabilities	<u>(279,864)</u>	<u>(325,370)</u>	<u>(10,099,900)</u>	<u>(10,725,172)</u>
Net assets	<u>218,369</u>	<u>393,130</u>	<u>7,880,632</u>	<u>12,958,744</u>

Immaterial Joint venture

The following is summarised financial information for the Group's interest in immaterial joint venture based on the amounts reported in the Group's consolidated financial statements:

	Immaterial Joint venture			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Carrying amount of interest in immaterial joint venture	1,076	415	38,831	13,680
Group's share of:				
- Profit from continuing operations	661	153	22,638	5,005
- Other comprehensive income	-	-	-	-
- Total comprehensive income	<u>661</u>	<u>153</u>	<u>22,638</u>	<u>5,005</u>

12 Investments in subsidiaries

For the year ended 31 December 2015 and for the period from 1 October 2014 to 31 December 2014:

	Separate financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
At 1 January / 1 October	184,273	184,273	6,074,191	5,965,525
Allowance for impairment	(62,096)	-	(2,225,267)	-
Translation adjustments	-	-	560,273	108,666
At 31 December	<u>122,177</u>	<u>184,273</u>	<u>4,409,197</u>	<u>6,074,191</u>

During the year 2015, the Company recognised an impairment charge of US Dollar 62 million (equivalent to Baht 2,225 million) on investments in subsidiaries. Details on the impairment charge are given in Note 15.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Investments in subsidiaries as at 31 December 2015 and 2014, and dividend income from those investments for the year ended 31 December 2015 and for the period from 1 October 2014 to 31 December 2014 were as follows:

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	Year ended 31 December 2015	Period from 1 October 2014 to 31 December 2014
Direct subsidiaries										
Mermaid Subsea Services (Thailand) Ltd.	THB 2,930 million	THB 2,930 million	83,343	83,343	-	-	83,343	83,343	-	-
Mermaid Drilling Ltd.	THB 410 million	THB 410 million	14,074	14,074	(10,600)	-	3,474	14,074	-	-
Mermaid Drilling (Singapore) Pte. Ltd.	USD 51 million	USD 51 million	51,000	51,000	(15,640)	(8,144)	35,360	42,856	-	-
MTR - 3 (Singapore) Pte. Ltd.	USD 22 million	USD 22 million	22,000	22,000	(22,000)	-	-	22,000	-	-
MTR - 4 (Singapore) Pte. Ltd.	USD 22 million	USD 22 million	22,000	22,000	(22,000)	-	-	22,000	-	-
Mermaid MTN Pte. Ltd.	SGD 100	SGD 100	-	-	-	-	-	-	-	-
Mermaid Maritime Mauritius Ltd.	USD 1	USD 1	-	-	-	-	-	-	6,150	9,600
Total			192,417	192,417	(70,240)	(8,144)	122,177	184,273	6,150	9,600

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	Year ended 31 December 2015	Period from 1 October 2014 to 31 December 2014
Indirect subsidiaries										
Seascope Surveys (Thailand) Ltd.	THB 34 million	THB 34 million	840	840	(807)	(807)	33	33	-	-
Seascope Surveys Pte. Ltd.	SGD 100	SGD 100	14,268	14,268	(10,263)	-	4,005	14,268	-	-
PT Seascope Surveys Indonesia	IDR 7,328 million	IDR 7,328 million	200	200	-	-	200	200	-	-
Mermaid Offshore Services Pte. Ltd.	USD 20,400 thousand	USD 20,400 thousand	20,400	20,400	(20,400)	-	-	20,400	-	-
MTR - 1 Ltd.	THB 240 million	THB 240 million	6,255	6,255	(6,255)	-	-	6,255	-	-
MTR - 2 Ltd.	THB 350 million	THB 350 million	8,334	8,334	(8,334)	-	-	8,334	-	-
Mermaid Drilling (Malaysia) Sdn. Bhd.	MYR 500 thousand	MYR 500 thousand	164	164	(164)	(164)	-	-	-	-
MTR - 1 (Singapore) Pte. Ltd.	USD 40 thousand	USD 40 thousand	40	40	(40)	-	-	40	-	-
MTR - 2 (Singapore) Pte. Ltd.	USD 1	USD 1	-	-	-	-	-	-	-	-
Mermaid International Ventures	USD 100	USD 100	-	-	-	-	-	-	-	-
Mermaid Subsea Services (International) Ltd.	USD 1	USD 1	7,586	7,586	-	-	7,586	7,586	-	-
Subtech Saudi Arabia Limited	SAR 500 thousand	SAR 500 thousand	386	386	-	-	386	386	-	-
Mermaid Subsea Services LLC	QAR 200 thousand	QAR 200 thousand	55	55	-	-	55	55	-	-
Total			58,528	58,528	(46,263)	(971)	12,265	57,557	-	-

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	Year ended 31 December 2015	Period from 1 October 2014 to 31 December 2014
Direct subsidiaries										
Mermaid Subsea Services (Thailand) Ltd.	THB 2,930 million	THB 2,930 million	3,007,730	2,747,234	-	-	3,007,730	2,747,234	-	-
Mermaid Drilling Ltd.	THB 410 million	THB 410 million	507,911	463,920	(382,539)	-	125,372	463,920	-	-
Mermaid Drilling (Singapore) Pte. Ltd.	USD 51 million	USD 51 million	1,840,519	1,681,113	(564,427)	(268,451)	1,276,092	1,412,662	-	-
MTR - 3 (Singapore) Pte. Ltd.	USD 22 million	USD 22 million	793,949	725,186	(793,949)	-	-	725,186	-	-
MTR - 4 (Singapore) Pte. Ltd.	USD 22 million	USD 22 million	793,949	725,186	(793,949)	-	-	725,186	-	-
Mermaid MTN Pte. Ltd.	SGD 100	SGD 100	3	3	-	-	3	3	-	-
Mermaid Maritime Mauritius Ltd.	USD 1	USD 1	-	-	-	-	-	-	210,623	314,021
Total			6,944,061	6,342,642	(2,534,864)	(268,451)	4,409,197	6,074,191	210,623	314,021

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	Year ended 31 December 2015	Period from 1 October 2014 to 31 December 2014
Indirect subsidiaries										
Seascope Surveys (Thailand) Ltd.	THB 34 million	THB 34 million	30,314	27,689	(29,124)	(26,601)	1,190	1,088	-	-
Seascope Surveys Pte. Ltd.	SGD 100	SGD 100	514,912	470,316	(370,377)	-	144,535	470,316	-	-
PT Seascope Surveys Indonesia	IDR 7,328 million	IDR 7,328 million	7,218	6,593	-	-	7,218	6,593	-	-
Mermaid Offshore Services Pte. Ltd.	USD 20,400 thousand	USD 20,400 thousand	736,207	672,445	(736,207)	-	-	672,445	-	-
MTR - 1 Ltd.	THB 240 million	THB 240 million	225,734	206,184	(225,734)	-	-	206,184	-	-
MTR - 2 Ltd.	THB 350 million	THB 350 million	300,762	274,714	(300,762)	-	-	274,714	-	-
Mermaid Drilling (Malaysia) Sdn. Bhd.	MYR 500 thousand	MYR 500 thousand	5,919	5,406	(5,919)	(5,406)	-	-	-	-
MTR - 1 (Singapore) Pte. Ltd.	USD 40 thousand	USD 40 thousand	1,444	1,319	(1,444)	-	-	1,319	-	-
MTR - 2 (Singapore) Pte. Ltd.	USD 1	USD 1	-	-	-	-	-	-	-	-
Mermaid International Ventures	USD 100	USD 100	3	3	-	-	3	3	-	-
Mermaid Subsea Services (International) Ltd.	USD 1	USD 1	273,768	250,057	-	-	273,768	250,057	-	-
Subtech Saudi Arabia Limited	SAR 500 thousand	SAR 500 thousand	13,930	12,724	-	-	13,930	12,724	-	-
Mermaid Subsea Services LLC	QAR 200 thousand	QAR 200 thousand	1,985	1,813	-	-	1,985	1,813	-	-
Total			<u>2,112,196</u>	<u>1,929,263</u>	<u>(1,669,567)</u>	<u>(32,007)</u>	<u>442,629</u>	<u>1,897,256</u>		

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

13 Investment properties

Consolidated financial statements					
	<i>Note</i>	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Cost					
At 1 January / 1 October		-	-	-	-
Reclassification from property, plant and equipment	<i>14</i>	1,519	-	54,819	-
At 31 December		1,519	-	54,819	-
Depreciation					
At 1 January / 1 October		-	-	-	-
Reclassification from property, plant and equipment	<i>14</i>	(820)	-	(29,593)	-
At 31 December		(820)	-	(29,593)	-
Net book value					
At 1 January / 1 October		-	-	-	-
At 31 December		699	-	25,226	-
Separate financial statements					
	<i>Note</i>	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Cost					
At 1 January / 1 October		-	-	-	-
Reclassification from property, plant and equipment	<i>14</i>	5,388	-	194,445	-
At 31 December		5,388	-	194,445	-
Depreciation					
At 1 January / 1 October		-	-	-	-
Reclassification from property, plant and equipment	<i>14</i>	(2,907)	-	(104,909)	-
At 31 December		(2,907)	-	(104,909)	-
Net book value					
At 1 January / 1 October		-	-	-	-
At 31 December		2,481	-	89,536	-

Investment properties were revalued as at 31 December 2015 by First Star Consultant Co., Ltd., a firm of independent professional valuer, at open market values on an existing use basis. The appraised value of investment properties was US Dollar 2.0 million (equivalent to Baht 71.1 million) and US Dollar 5.5 million (equivalent to Baht 197.8 million) in the consolidated and separate financial statements, respectively.

The Group's investment properties comprise a number of commercial properties and land, which were transferred from property, plant and equipment (see Note 14) to investment properties since they were unused or leased to third party.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Measurement of fair value

Fair value hierarchy

The fair value of investment property was determined by external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuer provide the fair value of the Group's investment property portfolio on an annual basis.

The fair value measurement for investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique

The fair value measurement of land was based on the market approach. This approach is a method of determining the appraisal value of an asset based on the selling price of similar items. These similar properties are adjusted for time, size, quantity, amenities, and quality as compared to the property that is being appraised.

The fair value measurement of buildings was based on the cost approach. This approach is a method of determining the replacement cost of a property after adjustment for accumulated depreciation. Accumulated depreciation is the reduction in actual value of property over a period of time as a result of wear and tear or obsolescence.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

14 Property, plant and equipment

Consolidated financial statements

<i>Cost</i>	<i>(in thousand US Dollar)</i>										
	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles	Offshore support vessels, and tender rigs	Dry-docking	Motor launches	Construction in progress	Total
At 1 October 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
Additions	-	-	155	5,991	279	30	-	9,698	-	6,784	22,937
Transfers	-	-	161	2,458	1	-	-	2,558	149	(5,327)	-
Transfer to investment properties	(248)	(1,271)	-	-	-	-	-	-	-	-	(1,519)
Disposals	-	-	-	(274)	(1)	(32)	(50)	-	-	-	(357)
Write off	-	-	-	(1,468)	(43)	-	-	(1,295)	-	19	(2,787)
At 31 December 2015	590	3,240	1,342	110,140	3,227	1,489	336,068	42,604	1,177	75,013	574,890

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Consolidated financial statements

Offshore support vessels, and tender rigs

	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles	Motor launches	Dry-docking	Construction in progress	Total
Depreciation										
At 1 October 2014	-	(2,527)	(764)	(44,391)	(2,279)	(753)	(356)	(12,932)	-	(166,982)
Depreciation charge for the period	-	(70)	(40)	(2,265)	(84)	(52)	(49)	(1,559)	-	(7,497)
Disposals	-	-	-	77	-	24	-	-	-	101
Write off	-	-	-	57	31	-	-	-	-	88
Translation adjustments	-	-	-	14	-	-	-	-	-	14
At 31 December 2014 and 1 January 2015	-	(2,597)	(804)	(46,508)	(2,332)	(781)	(405)	(14,491)	-	(174,276)
Depreciation charge for the year	-	(274)	(176)	(9,728)	(380)	(202)	(206)	(8,094)	-	(32,340)
Transfer to investment properties	-	820	-	-	-	-	-	-	-	820
Disposals	-	-	-	195	-	32	-	-	-	252
Write off	-	-	-	107	42	-	-	1,295	-	1,444
At 31 December 2015	-	(2,051)	(980)	(55,934)	(2,670)	(951)	(611)	(21,290)	-	(204,100)
Impairment losses										
At 1 October 2014	-	-	-	(625)	-	-	-	(53)	-	(2,571)
Impairment losses	-	-	-	(11)	-	-	-	(67)	-	(1,560)
Reversal of impairment losses	-	-	-	-	-	-	-	53	-	53
At 31 December 2014 and 1 January 2015	-	-	-	(636)	-	-	-	(67)	-	(4,078)
Impairment losses	-	-	-	(21,559)	-	-	-	(8,523)	(71,842)	(152,462)
Reversal of impairment losses	-	-	-	12	-	-	-	-	-	12
At 31 December 2015	-	-	-	(22,183)	-	-	-	(8,590)	(71,842)	(156,528)

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Consolidated financial statements

	Land	Buildings	Building improve- ment	Tools and equipment	Office equipment	Motor vehicles	Offshore support vessels, and tender rigs	Dry- docking	Motor launches	Construction in progress	Total
<i>Net book value</i>											
At 1 October 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
and 1 January 2015	590	1,189	362	32,023	557	538	162,542	12,724	566	3,171	214,262
At 31 December 2015											

(in thousand US Dollar)

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the 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 progress	Total
<i>Cost</i>											
At 1 October 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
At 1 January 2015	-	-	5,594	216,207	10,069	1,083	-	349,987	-	244,825	827,765
Additions	-	-	5,810	88,706	36	-	-	92,315	5,377	(192,244)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
Transfer to investment properties	(8,950)	(45,869)	-	-	-	-	-	-	-	-	(54,819)
Disposals	-	-	-	(9,888)	(36)	(1,155)	(1,804)	-	-	-	(12,883)
Write off	-	-	-	(52,978)	(1,552)	-	-	(46,735)	-	686	(100,579)
Translation adjustments	2,619	14,100	3,207	323,289	9,349	4,660	1,050,570	98,904	3,213	229,847	1,739,758
At 31 December 2015	21,292	116,927	48,431	3,974,798	116,458	53,736	12,128,224	1,537,519	42,476	2,707,114	20,764,975

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

	Consolidated financial statements										Total	
	Land	Buildings	Building Improve- ment	Tools and equipment	Office equipment	Motor vehicles <i>(in thousand Baht)</i>	Offshore support vessels, and tender rigs <i>Baht</i>	Dry- docking	Motor launches	Construction in progress		
Depreciation												
At 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												
and 1 January 2015	-	(85,605)	(26,502)	(1,533,043)	(76,870)	(25,744)	(3,505,879)	(477,667)	(13,350)	-	-	(5,744,660)
Depreciation charge for the year	-	(9,384)	(6,028)	(333,162)	(13,014)	(6,918)	(454,809)	(277,201)	(7,055)	-	-	(1,107,571)
Transfer to investment properties	-	29,593	-	-	-	-	-	-	-	-	-	29,593
Disposals	-	-	-	7,037	-	1,155	902	-	-	-	-	9,094
Write off	-	-	-	3,861	1,516	-	-	46,735	-	-	-	52,112
Translation adjustments	-	(8,622)	(2,837)	(163,273)	(7,989)	(2,813)	(356,880)	(60,193)	(1,645)	-	-	(604,252)
At 31 December 2015	-	(74,018)	(35,367)	(2,018,580)	(96,357)	(34,320)	(4,316,666)	(768,326)	(22,050)	-	-	(7,365,684)
Impairment losses												
At 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												
and 1 January 2015	-	-	-	(20,964)	-	-	(111,250)	(2,209)	-	-	-	(134,423)
Impairment losses	-	-	-	(772,587)	-	-	(1,811,076)	(305,430)	-	-	(2,574,523)	(5,463,616)
Reversal of impairment losses	-	-	-	430	-	-	-	-	-	-	-	430
Translation adjustments	-	-	-	(7,432)	-	-	(23,319)	(2,362)	-	-	(18,153)	(51,266)
At 31 December 2015	-	-	-	(800,553)	-	-	(1,945,645)	(310,001)	-	-	(2,592,676)	(5,648,875)

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

	Consolidated financial statements								Total		
	Land	Buildings	Building Improve- ment	Tools and equipment	Office equipment	Motor vehicles <i>(in thousand Baht)</i>	Offshore support vessels, and tender rigs	Dry- docking		Motor launches	Construction in progress
<i>Net book value</i>											
At 1 October 2014	<u>27,129</u>	<u>64,229</u>	<u>8,125</u>	<u>1,742,525</u>	<u>18,971</u>	<u>24,669</u>	<u>7,486,164</u>	<u>546,331</u>	<u>21,496</u>	<u>2,264,674</u>	<u>12,204,313</u>
At 31 December 2014											
and 1 January 2015	<u>27,623</u>	<u>63,091</u>	<u>7,318</u>	<u>1,855,455</u>	<u>21,722</u>	<u>23,404</u>	<u>7,462,329</u>	<u>563,172</u>	<u>20,536</u>	<u>2,424,000</u>	<u>12,468,650</u>
At 31 December 2015	<u>21,292</u>	<u>42,909</u>	<u>13,064</u>	<u>1,155,665</u>	<u>20,101</u>	<u>19,416</u>	<u>5,865,913</u>	<u>459,192</u>	<u>20,426</u>	<u>114,438</u>	<u>7,732,416</u>

Security

As at 31 December 2015, the Group's property, plant and equipment with a net book value of US Dollar 145.1 million (2014: US Dollar 157.8 million) were registered to secure short-term and long-term facilities with financial institutions.

As at 31 December 2015, as a result of a loan agreement with a financial institution, the Group's property, plant and equipment with a net book value of US Dollar 2.5 million (2014: US Dollar 22.0 million) were restricted over entering into any transaction, unless prior written consent is given by the financial institution.

During the year 2015, the Group recognised an impairment charge of US Dollar 152.5 million (equivalent to Baht 5,463.6 million) on property, plant and equipment. Details on the impairment charge are given in Note 15.

During the year 2015, the Group presented certain vessels and tender rigs as non-current assets held for sale due to their high likelihood of sale within 12 months. As at 31 December 2015, their sales within 12 months are no longer highly likely and they have been reclassified back to property, plant and equipment.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Separate financial statements

	Land	Buildings	Building improvement	Tools and equipment (in thousand US Dollar)	Office equipment	Motor vehicles	Construction in progress	Total
Cost								
At 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 and 1 January 2015	838	4,511	606	70	1,805	87	-	7,917
Additions	-	-	-	3	50	-	1	54
Transfers	-	-	-	-	1	-	(1)	-
Transfer to investment properties	(838)	(4,391)	(159)	-	-	-	-	(5,388)
At 31 December 2015	-	120	447	73	1,856	87	-	2,583
Depreciation								
At 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 and 1 January 2015	-	(2,597)	(526)	(32)	(1,604)	(87)	-	(4,846)
Depreciation charge for the year	-	(274)	(16)	(12)	(137)	-	-	(439)
Transfer to investment properties	-	2,808	99	-	-	-	-	2,907
At 31 December 2015	-	(63)	(443)	(44)	(1,741)	(87)	-	(2,378)
Net book value								
At 1 October 2014	838	1,984	80	39	227	2	-	3,170
At 31 December 2014 and 1 January 2015	838	1,914	80	38	201	-	-	3,071
At 31 December 2015	-	57	4	29	115	-	-	205

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Separate financial statements

	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles	Construction in progress	Total
Cost								
At 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 and 1 January 2015	27,623	148,696	19,976	2,307	59,498	2,868	-	260,968
Additions	-	-	-	108	1,805	-	36	1,949
Transfers	-	-	-	-	36	-	(36)	-
Transfer to investment properties	(30,242)	(158,465)	(5,738)	-	-	-	-	(194,445)
Translation adjustments	2,619	14,100	1,894	219	5,641	272	-	24,745
At 31 December 2015	-	4,331	16,132	2,634	66,980	3,140	-	93,217
Depreciation								
At 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 and 1 January 2015	-	(85,605)	(17,338)	(1,055)	(52,873)	(2,868)	-	(159,739)
Depreciation charge for the year	-	(9,384)	(548)	(411)	(4,692)	-	-	(15,035)
Transfer to investment properties	-	101,336	3,573	-	-	-	-	104,909
Translation adjustments	-	(8,621)	(1,674)	(122)	(5,265)	(272)	-	(15,954)
At 31 December 2015	-	(2,274)	(15,987)	(1,588)	(62,830)	(3,140)	-	(85,819)
Net book value								
At 1 October 2014	27,129	64,229	2,590	1,262	7,349	64	-	102,623
At 31 December 2014 and 1 January 2015	27,623	63,091	2,638	1,252	6,625	-	-	101,229
At 31 December 2015	-	2,057	145	1,046	4,150	-	-	7,398

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

15 Impairment losses

Impairment losses on assets are classified as follows:

	Consolidated financial statements	
	<i>(in thousand US Dollar)</i>	<i>(in thousand Baht)</i>
Impairment loss on property, plant and equipment and related supplies and spare parts	155,205	5,561,911
Impairment loss on goodwill	8,070	289,196
Total	163,275	5,851,107

	Separate financial statements	
	<i>(in thousand US Dollar)</i>	<i>(in thousand Baht)</i>
Impairment loss on investments in subsidiaries	62,096	2,225,267
Total	62,096	2,225,267

The continuing drop in oil prices during the year 2015 impacted the Group's overall business as it led to reduced activity and contracts for subsea and offshore drilling services. Additionally, with more offshore rigs and subsea vessels in the market coming off contract and new builds yet to be delivered, the vessel supply and demand imbalance will continue to have a negative impact on utilisation and day rates. These have been important factors indicating that the Group's assets may be impaired.

Property, plant and equipment

During the year 2015, the Group recognised an impairment charge of US Dollar 152.5 million (equivalent to Baht 5,463.6 million) on certain offshore support vessels and tender rigs, tools and equipment, related dry-docking, and construction in progress as a result of lower recoverable amounts compared to carrying amounts.

The recoverable amounts of the property, plant and equipment were determined based on the higher of values in use and fair values less costs to sell. The fair values were determined based on data from a recognised independent valuation company. The values in use were determined using an income approach based on cash flow projections of each asset. The impairment test methodology and assumptions prepared by management were reviewed by an independent appraiser.

The key assumptions affecting cash flow projections include future utilisation rates, day rates, operating cash costs, remaining useful life and discount factor. A terminal growth rate of 0% was applied. A weighted average cost of capital ("WACC") of 10.75% was used as the discount rate in the value in use calculations. The cost of equity component was derived using the capital asset pricing model. The cost of debt was estimated based on current debt facilities of the Group.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Goodwill

As at 31 December 2015, goodwill and impairment loss on goodwill was allocated to the following cash-generating units (“CGU”):

Seascope CGU

	Consolidated financial statements	
	<i>(in thousand US Dollar)</i>	<i>(in thousand Baht)</i>
1 January 2015	8,070	266,011
Impairment loss	(8,070)	(289,196)
Translation adjustments	-	23,185
31 December 2015	<u>-</u>	<u>-</u>

The recoverable amount of Seascope CGU estimated using the value in use method was less than the total carrying amount of Seascope CGU and the goodwill allocated to it. As a result, goodwill allocated to Seascope CGU was fully impaired as at 31 December 2015. The cash flows were projected over a period of 25 years before a terminal growth rate was applied to reflect management’s estimate of the cyclic nature of day rates earned by Seascope CGU. The key assumptions used in the estimation of Seascope CGU’s value in use were as follows:

The key assumptions used in the estimation of value in use were as follows:

Key assumptions	Value	Approach used to determine the value
Discount rate	10.75%	External sources of information
Terminal value growth rate	0%	Constant inflation
EBITDA growth	Up to 4.3%	Past experience

Mermaid Subsea Services (International) (“MSSI”) CGU

	Consolidated financial statements	
	<i>(in thousand US Dollar)</i>	<i>(in thousand Baht)</i>
1 January 2015	2,066	68,102
Impairment loss	-	-
Translation adjustments	-	6,457
31 December 2015	<u>2,066</u>	<u>74,559</u>

The recoverable amount of MSSI CGU estimated using the value in use method was greater than the total carrying amount of MSSI CGU and the goodwill allocated to it. As a result, goodwill allocated to MSSI CGU was not impaired as at 31 December 2015. The cash flows were projected over a period of 25 years before a terminal growth rate was applied to reflect management’s estimate of the cyclic nature of day rates earned by MSSI CGU. The key assumptions used in the estimation of MSSI CGU’s value in use were as follows:

Key assumptions	Value	Approach used to determine the value
Discount rate	10.75%	External sources of information
Terminal value growth rate	0%	Constant inflation
EBITDA growth	Up to 10.0%	Past experience

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Investments in subsidiaries

For the year ended 31 December 2015, the Company recognised impairment loss of US Dollar 62.1 million on its investments in certain subsidiaries as a result of lower recoverable amounts compared to carrying amounts.

The recoverable amounts of subsidiaries were determined based on their values in use. The values in use were determined using an income approach based on cash flow projections of each subsidiary.

The key assumptions affecting cash flow projections include future utilisation rates, day rates, operating cash costs, and discount factor. A terminal growth rate of 0% was applied. A WACC of 10.75% was used as the discount rate in the value in use calculations. The cost of equity component was derived using the capital asset pricing model. The cost of debt was estimated based on current debt facilities of the subsidiaries.

Reportable segments to which impaired assets belong are disclosed in Note 23.

16 Intangible assets

	Consolidated financial statements	
	<i>(in thousand US Dollar)</i>	<i>(in thousand Baht)</i>
Computer software		
<i>Cost</i>		
At 1 October 2014	2,088	67,596
Additions	20	659
Write off	(1)	(33)
Translation adjustments	(6)	1,033
At 31 December 2014 and 1 January 2015	2,101	69,255
Additions	233	8,409
Disposal	(2)	(72)
Translation adjustments	-	6,567
At 31 December 2015	2,332	84,159
<i>Amortisation</i>		
At 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 and 1 January 2015	(1,748)	(57,619)
Amortisation for the year	(283)	(9,692)
Disposal	-	-
Translation adjustments	-	(5,985)
At 31 December 2015	(2,031)	(73,296)
<i>Net book value</i>		
At 1 October 2014	436	14,115
At 31 December 2014 and 1 January 2015	353	11,636
At 31 December 2015	301	10,863

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

	Separate financial statements	
	Computer software (in thousand US Dollar)	(in thousand Baht)
Cost		
At 1 October 2014	440	14,244
Translation adjustments	-	259
At 31 December 2014 and 1 January 2015	440	14,503
Addition	10	361
Translation adjustments	-	1,375
At 31 December 2015	450	16,239
Amortisation		
At 1 October 2014	(335)	(10,845)
Amortisation for the period	(8)	(262)
Translation adjustments	-	(199)
At 31 December 2014 and 1 January 2015	(343)	(11,306)
Amortisation for the year	(34)	(1,164)
Translation adjustments	-	(1,135)
At 31 December 2015	(377)	(13,605)
Net book value		
At 1 October 2014	105	3,399
At 31 December 2014 and 1 January 2015	97	3,197
At 31 December 2015	73	2,634

Amortisation of computer software is recognised in both cost of rendering of services and administrative expenses.

17 Deferred tax

Deferred tax assets and liabilities as at 31 December 2015 and 2014 were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in thousand US Dollar)</i>			
Total	2,648	2,746	(2,966)	(3,496)
Set off of tax	(141)	(200)	141	200
Net deferred tax assets (liabilities)	2,507	2,546	(2,825)	(3,296)

	Consolidated financial statements			
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Total	95,563	90,516	(107,039)	(115,238)
Set off of tax	(5,089)	(6,592)	5,089	6,592
Net deferred tax assets (liabilities)	90,474	83,924	(101,950)	(108,646)

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

	Separate financial statements			
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in thousand US Dollar)</i>			
Total	26	25	-	-
Net deferred tax assets	<u>26</u>	<u>25</u>	<u>-</u>	<u>-</u>

	Separate financial statements			
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Total	938	824	-	-
Net deferred tax assets	<u>938</u>	<u>824</u>	<u>-</u>	<u>-</u>

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

	Consolidated financial statements			
	(Charged) / Credited to :			
	At 1 January 2015	Profit or loss	Other comprehensive income	At 31 December 2015
		<i>(note 28)</i>		
	<i>(in thousand US Dollar)</i>			
<i>Deferred tax assets</i>				
Property, plant and equipment	107	72	-	179
Provisions	707	(58)	-	649
Retirement benefits obligation	438	(80)	(32)	326
Loss carry forward	1,494	-	-	1,494
Total	<u>2,746</u>	<u>(66)</u>	<u>(32)</u>	<u>2,648</u>
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(2,274)	62	-	(2,212)
Share of net profits of equity- accounted associates	(1,222)	468	-	(754)
Total	<u>(3,496)</u>	<u>530</u>	<u>-</u>	<u>(2,966)</u>
Net	<u>(750)</u>	<u>464</u>	<u>(32)</u>	<u>(318)</u>

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements (Charged) / Credited to :				At 31 December 2015
	At 1 January 2015	Profit or loss	Other comprehensive income (note 28)	Translation adjustments	
					<i>(in thousand Baht)</i>
Deferred tax assets					
Property, plant and equipment	3,527	2,466	-	467	6,460
Provisions	23,305	(1,986)	-	2,103	23,422
Retirement benefits obligation	14,438	(2,740)	(1,095)	1,162	11,765
Loss carry forward	49,246	-	-	4,670	53,916
Total	90,516	(2,260)	(1,095)	8,402	95,563
Deferred tax liabilities					
Property, plant and equipment	(74,958)	2,123	-	(6,993)	(79,828)
Share of net profits of equity- accounted associates	(40,280)	16,028	-	(2,959)	(27,211)
Total	(115,238)	18,151	-	(9,952)	(107,039)
Net	(24,722)	15,891	(1,095)	(1,550)	(11,476)

	Consolidated financial statements (Charged) / Credited to :				At 31 December 2014
	At 1 October 2014	Profit or loss	Other comprehensive income (note 28)		
					<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)	(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)	(31)	(750)

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements (Charged) / Credited to :				At 31 December 2014
	At 1 October 2014	Profit or loss	Other comprehensive income (note 28) (in thousand Baht)	Translation adjustments	
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)

	Separate financial statements (Charged) / Credited to :				At 31 December 2015
	At 1 January 2015	Profit or loss	Other comprehensive income (note 28) (in thousand US Dollar)	Translation adjustments	
Deferred tax assets					
Retirement benefits obligation	25	1	-	-	26
Total	25	1	-	-	26

	Separate financial statements (Charged) / Credited to :				At 31 December 2015
	At 1 January 2015	Profit or loss	Other comprehensive income (note 28) (in thousand Baht)	Translation adjustments	
Deferred tax assets					
Retirement benefits obligation	824	34	-	80	938
Total	824	34	-	80	938

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

	Separate financial statements (Charged) / Credited to :			At 31 December 2014
	At 1 October 2014	Profit or loss (note 28) <i>(in thousand US Dollar)</i>	Other comprehensive income	
<i>Deferred tax assets</i>				
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 28) <i>(in thousand Baht)</i>	Other comprehensive income	Translation adjustments	
<i>Deferred tax assets</i>					
Retirement benefits obligation	-	1,440	(621)	5	824
Total	-	1,440	(621)	5	824

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

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Tax losses	8,897	4,558	321,080	150,245
Impairment losses on property, plant and equipment and related supplies and spare parts	28,721	504	1,036,502	16,613
Impairment losses on goodwill	1,614	-	58,247	-
Bad and doubtful debts	42	-	1,516	-
Total	39,274	5,062	1,417,345	166,858

	Separate financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Impairment losses on investments in subsidiaries	14,048	1,629	506,973	53,697
Bad and doubtful debts	1,191	-	42,982	-
Total	15,239	1,629	549,955	53,697

As at 31 December 2015, 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 by 2023.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

18 Interest-bearing liabilities

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Current				
Short-term loans from financial institution				
Unsecured	3,613	-	130,388	-
Short-term loans from financial institution	3,613	-	130,388	-
Current portion of long-term loans from financial institutions				
Secured	97,395	5,890	3,514,849	194,152
Unsecured	6,375	3,000	230,065	98,889
Current portion of long-term loans	103,770	8,890	3,744,914	293,041
Current portion of finance lease liabilities	24	35	866	1,154
Total current interest-bearing liabilities	107,407	8,925	3,876,168	294,195
Non-current				
Long-term loans from financial institutions				
Secured	-	97,395	-	3,210,431
Unsecured	-	6,375	-	210,140
Long-term loans	-	103,770	-	3,420,571
Finance lease liabilities	17	18	614	593
Total non-current interest-bearing liabilities	17	103,788	614	3,421,164

The period to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December 2015 and 2014 were as follows:

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Within one year	107,383	8,890	3,875,302	293,041
After one year but within five years	-	51,935	-	1,711,933
After five years	-	51,835	-	1,708,638
Total	107,383	112,660	3,875,302	3,713,612

The Group's short-term loans from financial institution bear fixed interest rate at 5.5% per annum. The Group's long-term loans from financial institutions bear effective interest rates of 3% per annum.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

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

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
At 1 January / 1 October	-	-	-	-
Increase	7,989	-	288,312	-
Decrease	(4,374)	-	(157,852)	-
Realised losses on exchange rates	(2)	-	(68)	-
Translation adjustments	-	-	(4)	-
At 31 December	<u>3,613</u>	<u>-</u>	<u>130,388</u>	<u>-</u>

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

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
At 1 January / 1 October	112,660	117,378	3,713,612	3,799,913
Repayments during year / period	(9,000)	(4,750)	(324,797)	(156,574)
Amortisation to profit and loss (front end fee)	110	32	3,767	1,047
Translation adjustments	-	-	352,332	69,226
At 31 December	<u>103,770</u>	<u>112,660</u>	<u>3,744,914</u>	<u>3,713,612</u>

The currency denomination of interest-bearing liabilities as at 31 December 2015 and 2014 were as follows:

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Currencies:				
US Dollar	103,770	112,660	3,744,914	3,713,612
Qatari Riyal	3,613	-	130,388	-
Total	<u>107,383</u>	<u>112,660</u>	<u>3,875,302</u>	<u>3,713,612</u>

Short-term loans for working capital were granted by a local commercial bank in Qatar. The loans bear interest at a fixed rate, were denominated in Qatari Riyal, and are guaranteed by another subsidiary within the group. The balance of the loans as at 31 December 2015 was Qatari Riyal 13.10 million.

Long-term 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 104.38 million as at 31 December 2015 (2014: US Dollar 113.38 million) with repayment terms within 8 to 10 years. These loans bear interest at the rate of USD-LIBOR plus a certain margin, are secured by mortgages of support vessels as mentioned in Note 14 and are guaranteed by the Company.

According to a condition of the loan agreements for all asset acquisitions, the Company and its subsidiaries are not allowed to create any encumbrance on the assets which are 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.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Breach of loan covenants

As at 31 December 2015, a subsidiary as the borrower had breached certain loan covenants. According to Thai Accounting Standard No. 1 (Revised 2014) - Presentation of Financial Statements, the entity has to present the liability as current if an entity has breached an undertaking under a long-term loan agreement on or before the reporting date, even if the lender has agreed, after the reporting date and before the authorisation of the financial statements for issue, not to demand payment as a consequence of the breach. As a result, the long-term portion of loans amounting to US Dollar 92.9 million (equivalent to Baht 3,351.9 million) was presented as current liabilities as of 31 December 2015. Currently, management is discussing with the relevant banks and has the opinion that the outcome will not result in a material adverse effect.

Borrowing facilities

The Group has the following unutilised credit facilities.

	Consolidated financial statements			
	2015 (in thousand US Dollar)	2014	2015 (in thousand Baht)	2014
Fixed interest rate				
Qatari Riyal	2,472	-	89,211	-

Finance lease liabilities

Finance lease liabilities as at 31 December 2015 and 2014 were payable as follows:

	Consolidated financial statements					
	2015			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	24	-	24	35	-	35
After one year but within five years	24	(7)	17	28	(10)	18
Total	48	(7)	41	63	(10)	53

	Consolidated financial statements					
	2015			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	866	-	866	1,154	-	1,154
After one year but within five years	867	(253)	614	923	(330)	593
Total	1,733	(253)	1,480	2,077	(330)	1,747

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Measurement of fair value

For the purpose of fair value disclosure, the fair values of loans from financial institutions are estimated at the present value of future cash flows, discounted based on the terms and maturity of each loan and using market interest rates for a similar loans at the measurement date.

The fair value measurement for loans from financial institutions of US Dollar 101.6 million (equivalent to Baht 3,666.3 million) has been categorised as a level 3 fair value based on the inputs to the valuation technique used.

Significant unobservable inputs used in measuring the fair values of loans from financial institutions represented future three-month LIBOR rates.

19 Other payables

	Note	Consolidated financial statements			
		2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Accrued project cost		18,723	11,262	675,687	371,229
Accrued consulting fee		6,557	2,440	236,633	80,430
Withholding tax payables		6,525	5,912	235,478	194,877
Accrued salary		3,885	8,406	140,204	277,087
Accrued bonus		2,959	273	106,786	8,999
Accrued operating expenses		2,605	6,598	94,011	217,490
Advance received		2,369	2,219	85,494	73,145
Non-trade accounts payable		1,720	4,749	62,072	156,541
Deferred mobilisation revenue		1,554	816	56,082	26,898
Output tax awaiting invoice		663	1,321	23,927	43,544
Payables to related parties	5	8	4	289	132
Others		5,125	1,557	184,953	51,323
Total		52,693	45,557	1,901,616	1,501,695

	Note	Separate financial statements			
		2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Payables to related parties	5	35,372	35,362	1,276,526	1,165,638
Accrued bonus		352	52	12,703	1,714
Accrued consulting fee		273	573	9,852	18,888
Others		633	944	22,844	31,118
Total		36,630	36,931	1,321,925	1,217,358

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

20 Employee benefit obligations

	Consolidated financial statements			
	2015	2014	2015	2014
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Statement of financial position obligations for:				
Post-employment benefits				
Retirement benefit	2,997	2,899	108,158	95,560
Total	2,997	2,899	108,158	95,560

	Consolidated financial statements			
	Year ended	Period from	Year ended	Period from
	31 December	1 October	31 December	1 October
	2015	2014	2015	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	1,102	227	37,741	7,425
Total	1,102	227	37,741	7,425
Recognised in other comprehensive income:				
Actuarial gains recognised in the year	131	-	4,486	-
Cumulative actuarial gain recognised	471	340	15,446	10,960

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

	Separate financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Statement of financial position obligations for:				
Post-employment benefits				
Retirement benefit	103	131	3,717	4,318
Total	103	131	3,717	4,318

	Separate financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits				
Retirement benefit	26	8	890	262
Total	26	8	890	262
Recognised in other comprehensive income:				
Cumulative actuarial gain recognised	94	94	3,030	3,030

Thailand legal severance plan

The Group's entities 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 defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The statement of financial position obligation was determined as follows:

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Present value of unfunded obligations	3,468	3,239	123,604	106,520
Actuarial gains	(471)	(340)	(15,446)	(10,960)
Statement of financial position obligation	2,997	2,899	108,158	95,560

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

	Separate financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Present value of unfunded obligations	197	225	6,747	7,348
Actuarial gains	(94)	(94)	(3,030)	(3,030)
Statement of financial position obligation	103	131	3,717	4,318

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Defined benefit obligations at 1 January / 1 October	2,899	2,721	95,560	88,088
Include in profit or loss:				
Current service costs	1,087	223	37,227	7,294
Interest on obligation	15	4	514	131
	1,102	227	37,741	7,425
Include in other comprehensive income:				
Actuarial gains	(131)	-	(4,486)	-
Others:				
Reverse	(541)	-	(18,528)	-
Benefits paid	(332)	(49)	(11,370)	(1,603)
Translation adjustments	-	-	9,241	1,650
	(1,004)	(49)	(25,143)	47
Defined benefit obligations at 31 December	2,997	2,899	108,158	95,560

	Separate financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Defined benefit obligations at 1 January / 1 October	131	123	4,318	3,982
Include in profit or loss:				
Current service costs	23	7	787	229
Interest on obligation	3	1	103	33
	26	8	890	262
Others:				
Benefits paid	(54)	-	(1,849)	-
Translation adjustments	-	-	358	74
	(54)	-	(1,491)	74
Defined benefit obligations at 31 December	103	131	3,717	4,318

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

21 Share capital

Issue and listing of placement shares

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.

	Par value per share (in Baht)	2015 (in thousand Baht/thousand shares)	2014
<i>Authorised</i>			
At 1 January / 1 October			
- ordinary shares	1	<u>1,416,701</u>	<u>1,416,701</u>
At 31 December			
- ordinary shares	1	<u>1,416,701</u>	<u>1,416,701</u>
<i>Issued and paid</i>			
At 1 January / 1 October			
- ordinary shares	1	1,413,329	1,413,081
Increase of new shares	1	<u>-</u>	<u>248</u>
At 31 December			
- ordinary shares	1	<u>1,413,329</u>	<u>1,413,329</u>

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.

	2015	2014
	<i>(in thousand Baht)</i>	
At 1 January / 1 October	13,558,613	13,557,016
Increase of new shares	<u>-</u>	<u>1,597</u>
At 31 December	<u>13,558,613</u>	<u>13,558,613</u>

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

22 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.

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.

23 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

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

Revenue and results, based on business segments, in the consolidated financial statements for the year ended 31 December 2015 and for the period from 1 October 2014 to 31 December 2014 were as follows:

	Consolidated financial statements for the year ended 31 December 2015			
	Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total <i>(in thousand US Dollar)</i>
Revenue from rendering of services	336,561	54	-	336,615
Operating loss	(68,854)	(92,108)	(15,377)	(176,339)
Share of profit (loss) of investments in associates and joint venture	661	-	(51,023)	(50,362)
Finance costs	(4,114)	-	-	(4,114)
Income tax (expense) benefit	44	(87)	(486)	(529)
Loss for the year	(72,263)	(92,195)	(66,886)	(231,344)
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Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

	Consolidated financial statements as at 31 December 2015					
	Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total <i>(in thousand US Dollar)</i>	Elimination	Group
Interest-bearing liabilities	107,424	-	-	107,424	-	107,424
Unallocated liabilities	107,424	-	-	107,424	-	107,424
Total liabilities						71,342
						178,766
Capital expenditure	20,723	2,384	63	23,170	-	23,170
Depreciation	24,784	7,117	439	32,340	-	32,340
Amortisation	248	1	34	283	-	283
Gain (loss) on disposal and write-off property, plant and equipment and intangible asset	38	(11)	-	27	-	27
Impairment losses on property, plant and equipment and related supplies and spare parts	71,404	83,801	-	155,205	-	155,205
Impairment losses on goodwill	8,070	-	-	8,070	-	8,070

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

	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
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
Share of profit of investment in associates and joint venture	153	-	6,873	7,026	-	7,026
Finance costs	(1,196)	(21)	-	(1,217)	358	(859)
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					
	Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total <i>(in thousand US Dollar)</i>	Elimination	Group
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
Investment in associates and joint venture	415	-	138,248	138,663	-	138,663
Property, plant and equipment	287,338	87,853	3,071	378,262	-	378,262
Unallocated assets	423,192	94,676	199,561	717,429	(317)	717,112
Total assets						46,240
						763,352

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

	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 (reversal) on property, plant and equipment	1,560	(47)	-	1,513	-	1,513

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

	Consolidated financial statements for the year ended 31 December 2015			
	Subsea group	Drilling group	Holding <i>(in thousand Baht)</i>	Total
Revenue from rendering of services	11,526,440	1,849	-	11,528,289
Operating loss	(2,484,314)	(3,287,581)	(526,627)	(6,298,522)
Share of profit (loss) of investments in associates and joint venture	22,638	-	(1,747,421)	(1,724,783)
Finance costs	(140,895)	-	-	(140,895)
Income tax (expense) benefit	1,507	(2,980)	(16,644)	(18,117)
Loss for the year	(2,601,064)	(3,290,561)	(2,290,692)	(8,182,317)
				34
				(24,076)
				(993)
				11,527,296
				(6,322,598)
				(1,724,783)
				(116,785)
				(18,117)
				(8,182,283)
Consolidated financial statements as at 31 December 2015				
	Subsea group	Drilling group	Holding <i>(in thousand Baht)</i>	Total
Cash and cash equivalents	1,166,889	70,734	834,260	2,071,883
Trade accounts receivable	4,142,430	-	-	4,142,430
Investments in associates and joint venture	38,831	-	2,660,488	2,699,319
Property, plant and equipment	7,587,087	73,657	71,672	7,732,416
Unallocated assets	12,935,237	144,391	3,566,420	16,646,048
Total assets				1,391,215
				18,037,263

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

	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	Elimination	Group
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
Share of profit of investments in associates and joint venture	5,005	-	224,819	229,824	-	229,824
Finance costs	(39,121)	(687)	-	(39,808)	11,710	(28,098)
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	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 and joint venture	13,680	-	4,557,069	4,570,749	-	4,570,749
Property, plant and equipment	9,471,523	2,895,898	101,229	12,468,650	-	12,468,650
Unallocated assets	13,949,678	3,120,805	6,578,129	23,648,612	(10,449)	23,638,163
Total assets						1,524,209
						25,162,372

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the 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.

	Revenue from rendering of services			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Saudi Arabia	176,555	43,617	6,046,603	1,426,733
Thailand	56,923	17,087	1,949,482	558,924
Qatar	48,501	9,293	1,661,048	303,978
Indonesia	41,779	12,914	1,430,835	422,423
Russia	4,962	733	169,937	23,979
Singapore	4,247	489	145,450	15,996
UK	2,009	14,757	68,804	482,708
Other countries	1,610	-	55,137	-
Total	336,586	98,890	11,527,296	3,234,741

	Assets			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Thailand	177,524	390,979	6,406,593	12,887,842
Saudi Arabia	86,729	120,991	3,129,928	3,988,226
Cayman	80,527	138,250	2,906,107	4,557,135
Singapore	79,518	79,826	2,869,693	2,631,304
Qatar	49,846	11,879	1,798,872	391,567
Indonesia	24,838	21,409	896,369	705,705
Other countries	823	18	29,701	593
Total	499,805	763,352	18,037,263	25,162,372

Major customer

Revenues from the major customer of the Group's Segments Subsea represents approximately US Dollar 131.9 million *(for the period from 1 October 2014 to 31 December 2014: US Dollar 42.6 million)* of the Group's total revenues.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

24 Cost of rendering of services

	Consolidated financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Crew, staff and subcontractor costs	94,205	28,311	3,226,305	926,066
Vessel expenses and repair and maintenance expenses	80,282	17,176	2,749,474	561,835
Charter hire and equipment rental	61,624	23,879	2,110,480	781,095
Depreciation	31,238	7,248	1,069,830	237,086
Recharge expenses related to services provided	19,307	4,457	661,220	145,791
Mobilisation/demobilisation expense	16,649	5,209	570,190	170,389
Others	226	238	7,740	7,785
Total	303,531	86,518	10,395,239	2,830,047

25 Administrative expenses

	Consolidated financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Employee benefit expense	27,488	5,398	941,401	176,571
Withholding tax not recoverable	12,926	2,034	442,686	66,533
Depreciation	1,102	249	37,741	8,145
Office and office equipment rental	1,052	208	36,029	6,804
Consulting fees	482	616	16,507	20,150
Bad debts	188	-	6,785	-
Others	5,772	2,123	197,333	69,444
Total	49,010	10,628	1,678,482	347,647

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

	Separate financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Employee benefit expense	3,760	658	128,771	21,524
Bad debt expense	5,956	-	214,943	-
Depreciation	439	116	15,035	3,794
Consulting fees	185	493	6,336	16,126
Office and office equipment rental	89	29	3,048	949
Others	1,477	513	39,619	16,780
Total	11,906	1,809	407,752	59,173

26 Employee benefit expense

	Consolidated financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Crew expenses and subcontractor	94,205	28,311	3,226,305	926,066
Wages, salaries and bonus	20,928	3,424	716,736	112,001
Staff welfare	4,458	1,126	152,676	36,832
Contribution to defined contribution plans and social security and expenses related to define benefit plans	1,301	605	44,556	19,790
Equity-settled share-based payment transactions	-	3	-	98
Others	801	240	27,433	7,850
Total	121,693	33,709	4,167,706	1,102,637

	Separate financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Wages, salaries and bonus	2,848	423	97,537	13,838
Staff welfare	342	106	11,713	3,467
Contribution to defined contribution plans and social security and expenses related to define benefit plans	164	41	5,617	1,341
Equity-settled share-based payment transactions	-	3	-	98
Others	406	85	13,904	2,780
Total	3,760	658	128,771	21,524

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

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.

27 Finance costs

	Consolidated financial statements			
	Year ended	Period from	Year ended	Period from
	31 December	1 October 2014	31 December	1 October 2014
	2015	to 31 December	2015	to 31 December
	2014		2014	
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Interest expenses:				
Bank loans	3,294	825	112,813	26,986
Total interest expense	3,294	825	112,813	26,986
Amortisation of front-end fees	110	32	3,767	1,047
Interest expense from finance lease	6	2	205	65
Total	3,410	859	116,785	28,098

28 Income tax expense

Income tax recognised in profit or loss

	Note	Consolidated financial statements			
		Year ended	Period from	Year ended	Period from
		31 December	1 October 2014	31 December	1 October 2014
		2015	to 31 December	2015	to 31 December
		2014		2014	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current tax expense					
Adjustment for prior year		(26)	-	(890)	-
Current taxes		1,019	1,964	34,898	64,243
		993	1,964	34,008	64,243
Deferred tax expense					
Deferred taxes	17	(464)	762	(15,891)	24,926
Total		529	2,726	18,117	89,169

	Note	Separate financial statements			
		Year ended	Period from	Year ended	Period from
		31 December	1 October 2014	31 December	1 October 2014
		2015	to 31 December	2015	to 31 December
		2014		2014	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current tax expense					
Current taxes		754	90	25,823	2,945
		754	90	25,823	2,945
Deferred tax expense					
Deferred taxes	17	(1)	(44)	(34)	(1,440)
Total		753	46	25,789	1,505

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Consolidated financial statements

	Year ended 31 December 2015			Period from 1 October 2014 to 31 December 2014		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand US Dollar)</i>					
Defined benefit plan actuarial gains (losses)	131	(32)	99	-	(31)	(31)
Total	131	(32)	99	-	(31)	(31)

Consolidated financial statements

	Year ended 31 December 2015			Period from 1 October 2014 to 31 December 2014		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Defined benefit plan actuarial gains (losses)	4,486	(1,095)	3,391	-	(1,014)	(1,014)
Total	4,486	(1,095)	3,391	-	(1,014)	(1,014)

Separate financial statements

	Year ended 31 December 2015			Period from 1 October 2014 to 31 December 2014		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand US Dollar)</i>					
Defined benefit plan actuarial gains (losses)	-	-	-	-	(19)	(19)
Total	-	-	-	-	(19)	(19)

Separate financial statements

	Year ended 31 December 2015			Period from 1 October 2014 to 31 December 2014		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Defined benefit plan actuarial gains (losses)	-	-	-	-	(621)	(621)
Total	-	-	-	-	(621)	(621)

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the 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			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Profit (loss) before income tax – accounting	<u>(230,814)</u>	<u>7,068</u>	<u>(8,164,166)</u>	<u>231,197</u>
Tax at the domestic rate of 20%	(46,163)	1,414	(1,632,833)	46,240
Adjustments:				
Effect of difference tax rate in foreign jurisdictions	8,669	(155)	296,892	(5,070)
Income not subject to tax and additional taxable expenses	(1,292)	(2,814)	(44,248)	(92,034)
Expenses not deductible for tax purposes	(458)	2,280	(15,685)	74,580
Utilisation of previously unrecognised tax losses	(1,402)	(79)	(48,015)	(2,584)
Tax losses and temporary differences for which no deferred income tax were recognised	39,636	496	1,409,298	16,224
Adjustments in respect of prior year	(25)	-	(856)	-
Remeasurement of loss on exchange rate of US Dollar financial statement	1,835	517	62,845	16,911
Remeasurement of loss (gain) on exchange rate of Thai Baht financial statement	(335)	30	(11,473)	981
Tax charges from overseas operations	64	1,037	2,192	33,921
Total income tax expense	<u>529</u>	<u>2,726</u>	<u>18,117</u>	<u>89,169</u>
The average effective tax rate	0%	39%	0%	39%

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

	Separate financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht)</i>	Period from 1 October 2014 to 31 December 2014
Profit (loss) before income tax – accounting	(82,534)	4,871	(2,925,221)	159,333
Tax at the domestic rate of 20%	(16,507)	974	(585,044)	31,867
Adjustments:				
Income not subject to tax and additional taxable expense	(1,171)	(2,097)	(40,103)	(68,594)
Tax losses and temporary differences for which no deferred income tax were recognised	13,610	-	485,829	-
Expenses not deductible for tax purposes	(2)	26	(69)	844
Remeasurement of loss on exchange rate of US Dollar financial statement	4,252	947	145,621	30,977
Remeasurement of loss on exchange rate of Thai Baht financial statement	571	196	19,555	6,411
Total income tax expense	753	46	25,789	1,505
The average effective tax rate	(1%)	1%	(1%)	1%

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

Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction of the corporate income tax rate to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, The National Legislative Assembly has approved a reduction of the statutory corporate income tax rate from 30% to 20% of net taxable profit for the accounting period which begins on or after 1 January 2016.

The Group has applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

29 Promotional privileges

As at 31 December 2015, a subsidiary in Thailand 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.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

30 Earnings (losses) per share

Basic earnings (losses) per share

The calculations of basic earnings (losses) per share for the year ended 31 December 2015 and for the period from 1 October 2014 to 31 December 2014 were based on the profit (loss) for the year / period attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year / period as follows:

	Consolidated financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar/ thousand shares)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht/ thousand shares)</i>	Period from 1 October 2014 to 31 December 2014
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(229,112)</u>	<u>4,323</u>	<u>(8,102,998)</u>	<u>141,407</u>
Number of ordinary shares outstanding at 1 January / 1 October	1,413,329	1,413,081	1,413,329	1,413,081
Effect of shares options exercised	-	73	-	73
Weighted average number of ordinary shares outstanding (basic)	<u>1,413,329</u> <i>(in US dollar)</i>	<u>1,413,154</u>	<u>1,413,329</u> <i>(in Baht)</i>	<u>1,413,154</u>
Earnings (losses) per share (basic)	<u>(0.162)</u>	<u>0.003</u>	<u>(5.733)</u>	<u>0.100</u>
	Separate financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar/ thousand shares)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht/ thousand shares)</i>	Period from 1 October 2014 to 31 December 2014
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(83,287)</u>	<u>4,825</u>	<u>(2,951,010)</u>	<u>157,828</u>
Number of ordinary shares outstanding at 1 January / 1 October	1,413,329	1,413,081	1,413,329	1,413,081
Effect of shares options exercised	-	73	-	73
Weighted average number of ordinary shares outstanding (basic)	<u>1,413,329</u> <i>(in US dollar)</i>	<u>1,413,154</u>	<u>1,413,329</u> <i>(in Baht)</i>	<u>1,413,154</u>
Earnings (losses) per share (basic)	<u>(0.059)</u>	<u>0.003</u>	<u>(2.088)</u>	<u>0.112</u>

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

Diluted earnings (losses) per share

The calculations of diluted earnings (losses) per share for the year ended 31 December 2015 and for the period from 1 October 2014 to 31 December 2014 were based on the profit (loss) for the year / period attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year / period after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Consolidated financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar/ thousand shares)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht/ thousand shares)</i>	Period from 1 October 2014 to 31 December 2014
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(229,112)</u>	<u>4,323</u>	<u>(8,102,998)</u>	<u>141,407</u>
Weighted average number of ordinary shares outstanding (basic)	1,413,329	1,413,154	1,413,329	1,413,154
Effect from employee share option plan	<u>23</u>	<u>107</u>	<u>23</u>	<u>107</u>
Weighted average number of ordinary shares outstanding (diluted)	<u>1,413,352</u> <i>(in US dollar)</i>	<u>1,413,261</u>	<u>1,413,352</u> <i>(in Baht)</i>	<u>1,413,261</u>
Earnings (losses) per share (diluted)	<u>(0.162)</u>	<u>0.003</u>	<u>(5.733)</u>	<u>0.100</u>
	Separate financial statements			
	Year ended 31 December 2015 <i>(in thousand US Dollar/ thousand shares)</i>	Period from 1 October 2014 to 31 December 2014	Year ended 31 December 2015 <i>(in thousand Baht/ thousand shares)</i>	Period from 1 October 2014 to 31 December 2014
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(83,287)</u>	<u>4,825</u>	<u>(2,951,010)</u>	<u>157,828</u>
Weighted average number of ordinary shares outstanding (basic)	1,413,329	1,413,154	1,413,329	1,413,154
Effect from employee share option plan	<u>23</u>	<u>107</u>	<u>23</u>	<u>107</u>
Weighted average number of ordinary shares outstanding (diluted)	<u>1,413,352</u> <i>(in US dollar)</i>	<u>1,413,261</u>	<u>1,413,352</u> <i>(in Baht)</i>	<u>1,413,261</u>
Earnings (losses) per share (diluted)	<u>(0.059)</u>	<u>0.003</u>	<u>(2.088)</u>	<u>0.112</u>

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

31 Dividends

At the annual general meeting of the shareholders of the Company held on 29 April 2015, the shareholders approved the appropriation of dividend of US Dollar 0.0040 per share or equivalent to Baht 0.1279 per share, amounting to US Dollar 5.7 million or equivalent to Baht 180.8 million. The dividend was paid to the Company's shareholders on 20 May 2015.

At the annual general meeting of the 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, amounting to US Dollar 6.6 million or equivalent to Baht 217.9 million. The dividend was paid to the Company's shareholders on 23 February 2015.

At the annual general meeting of the shareholders of the Company held on 28 January 2014, the shareholders approved the appropriation of dividend of US Dollar 0.0086 per share or equivalent to Baht 0.2630 per share, amounting to US Dollar 12.15 million or equivalent to Baht 371.6 million. The dividend was paid to the Company's shareholders on 21 February 2014.

32 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.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from its borrowings (Note 18).

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

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 2015 and 2014, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
<i>Thai Baht</i>	<i>(in thousand US Dollar)</i>			
Cash and cash equivalents	15,657	5,581	1,898	4,508
Trade accounts receivable	160	269	-	-
Receivables from related parties	-	-	113,248	100,098
Short-term loans to related parties	-	-	118,458	123,957
Trade accounts payable	(428)	(1,533)	-	-
Other payables	(2,927)	(1,338)	(1,270)	(97)
Gross balance sheet exposure	12,462	2,979	232,334	228,466
<i>Singapore Dollar</i>				
Cash and cash equivalents	87	73	-	1
Trade accounts receivable	6	-	-	-
Trade accounts payable	(505)	(610)	-	-
Other payables	(252)	(129)	-	(10)
Gross balance sheet exposure	(664)	(666)	-	(9)
<i>Qatari Dollar</i>				
Cash and cash equivalents	751	-	-	-
Trade accounts receivable	51	-	-	-
Short-term loans	(3,613)	-	-	-
Trade accounts payable	(102)	-	-	-
Other payables	(1,683)	(897)	-	-
Gross balance sheet exposure	(4,596)	(897)	-	-
<i>Indonesian Rupiah</i>				
Cash and cash equivalents	133	207	-	-
Trade accounts receivable	54	-	-	-
Trade accounts payable	(1,224)	(593)	-	-
Other payables	-	(578)	-	-
Finance lease liabilities	(37)	-	-	-
Gross balance sheet exposure	(1,074)	(964)	-	-

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.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

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.

Fair values of financial assets and liabilities

As at 31 December 2015 and 2014, except for investment properties disclosed in Note 13 and loans from financial institutions disclosed in Note 18, the fair value of financial assets and liabilities are taken to approximate the carrying values due to the relatively short-term maturity of these financial assets and liabilities.

33 Guarantees

As at 31 December 2015 and 2014, the Group and the Company had outstanding guarantees as follows:

	Consolidated financial statements							
	2015				2014			
	thousand Baht	thousand USD	thousand AED	thousand QAR	thousand Baht	thousand USD	thousand AED	thousand QAR
Letters of guarantee issued by financial institutions in the normal course of business	15,600	27,927	-	-	19,650	26,460	50	-
Guarantee for short-term borrowing of subsidiaries to financial institutions	-	-	-	13,100	-	-	-	-
Guarantee for long-term loans of subsidiaries to financial institutions	-	104,375	-	-	-	113,375	-	-
	Separate financial statements							
	2015		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		-	104,375	-	113,375			

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

34 Commitments with non-related parties

(a) *Capital commitments*

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
Purchasing of diving equipment	2,042	2,763	73,693	91,077
Purchasing of tender rigs	254,000	254,000	9,166,504	8,372,602
Purchasing of DSV	117,600	117,600	4,244,019	3,876,449
Other	-	34	-	1,121
Total	<u>373,642</u>	<u>374,397</u>	<u>13,484,216</u>	<u>12,341,249</u>

(b) *Operating lease commitments - company as lessee*

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

	Consolidated financial statements			
	2015 <i>(in thousand US Dollar)</i>	2014	2015 <i>(in thousand Baht)</i>	2014
<i>Non-cancellable operating lease commitments</i>				
Within one year	8,275	30,351	298,633	1,000,460
After one year but within five years	-	70,313	-	2,317,727
Total	<u>8,275</u>	<u>100,664</u>	<u>298,633</u>	<u>3,318,187</u>

In February 2012, a subsidiary entered into the agreement with a local third party company for a vessel time charter for the period of 2 years with effective date of 29 February 2012. The contract has been extend for years to 28 February 2016.

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

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

During the year 2015, the Group successfully negotiated to early terminate the chartering contracts for certain chartered-in vessels without incurring any surcharge.

(c) *Other commitments*

As at 31 December 2015, the Group had commitments on procurement commission of a new drilling unit of US Dollar 2.0 million (2014: US Dollar 2.0 million).

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

35 Share-based payments

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

- i) 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.
- ii) 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.

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 2014	0.46	1,501	0.46	1,501
Exercised	0.21	(248)	0.21	(248)
Expired	0.72	(622)	0.72	(622)
At 31 December 2014	0.31	631	0.31	631
Forfeited	0.28	(124)	0.28	(124)
Expired	0.40	(270)	0.40	(270)
At 31 December 2015	0.21	237	0.21	237

As at 31 December 2015, the 236,643 outstanding options (2014: 631,049 options) were exercisable. The average share price for the year ended 31 December 2015 was SGD 0.23 per share (for the period from 1 October 2014 to 31 December 2014 : SGD 0.32 per share).

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

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

	Consolidated financial statements			Separate financial statements		
	Exercise price SGD per share	2015 Thousand shares	2014 Thousand shares	Exercise price SGD per share	2015 Thousand shares	2014 Thousand shares
Expiry date:						
1 December 2015	0.40	-	315	0.40	-	315
15 December 2016	0.21	237	316	0.21	237	316
		<u>237</u>	<u>631</u>		<u>237</u>	<u>631</u>

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%.

36 Establishment of a multi-currency debt issuance programme

At the annual general meeting of the shareholders of the Company held on 29 April 2015, the shareholders approved the issuance of notes and perpetual security up to the aggregate principal amount of US Dollar 500 million (or its equivalent to other currencies) pursuant to a multi-currency debt issuance programme established on 8 May 2015.

37 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 2016, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 33 (revised 2015)	Earnings Per Share

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements

TFRS	Topic
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TFRS 2 (revised 2015)	Share-based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 15 (revised 2015)	Operating Leases – Incentives
TSIC 25 (revised 2015)	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2015)	Service Concession Arrangements
TFRIC 14 (revised 2015)	TAS 19 (revised 2015) <i>Employee Benefits</i> – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

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.