

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

Interim financial statements
for the three-month and six-month periods ended
30 June 2017
and
Independent Auditor's report on review of
interim financial information



KPMG Phoomchai Audit Ltd.
Empire Tower, 50th-51st Floors
1 South Sathorn Road, Yannawa
Sathorn, Bangkok 10120, Thailand
Tel +66 2677 2000, Fax +66 2677 2222

บริษัท เคพีเอ็มจี ภูมิภาคไทย สอบบัญชี จำกัด
ชั้น 50-51 เอ็มไพร์ทาวเวอร์
1 ถนนสาทรใต้ แขวงยานนาวา
เขตสาทร กรุงเทพฯ 10120
โทร +66 2677 2000 แฟกซ์ +66 2677 2222

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Mermaid Maritime Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Mermaid Maritime Public Company Limited and its subsidiaries, and of Mermaid Maritime Public Company Limited, respectively, as at 30 June 2017; the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2017; the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 2017; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

(Bantit Tangpakorn)
Certified Public Accountant
Registration No. 8509

KPMG Phoomchai Audit Ltd.
Bangkok
11 August 2017

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

Consolidated financial statements					
Assets	<i>Note</i>	30 June	31 December	30 June	31 December
		2017	2016	2017	2016
		(Unaudited)		(Unaudited)	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current assets</i>					
Cash and cash equivalents		66,793	61,817	2,269,720	2,214,946
Short-term deposit at financial institution		22,950	27,950	779,873	1,001,468
Trade accounts receivables	3,4	68,801	65,253	2,337,955	2,338,061
Other receivables	3	9,607	15,477	326,459	554,551
Deferred contract costs		676	1,695	22,971	60,733
Supplies and spare parts		2,241	1,877	76,152	67,254
Total current assets		<u>171,068</u>	<u>174,069</u>	<u>5,813,130</u>	<u>6,237,013</u>
<i>Non-current assets</i>					
Restricted deposit at financial institutions		8,267	7,977	280,924	285,821
Investments in associates	5	86,684	84,359	2,945,644	3,022,642
Investment in joint venture	5	2,007	1,965	68,201	70,407
Investment properties		581	619	19,743	22,179
Property, plant and equipment	7	189,623	198,192	6,443,655	7,101,357
Goodwill		2,066	2,066	70,206	74,026
Intangible assets		186	229	6,321	8,205
Deferred tax assets		2,594	2,448	88,148	87,714
Other non-current assets		119	161	4,044	5,769
Total non-current assets		<u>292,127</u>	<u>298,016</u>	<u>9,926,886</u>	<u>10,678,120</u>
Total assets		<u>463,195</u>	<u>472,085</u>	<u>15,740,016</u>	<u>16,915,133</u>

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			
		30 June	31 December	30 June	31 December
Liabilities and equity	<i>Note</i>	2017	2016	2017	2016
		(Unaudited)	(Unaudited)		
		<i>(in thousand US Dollar)</i>	<i>(in thousand Baht)</i>		
<i>Current liabilities</i>					
Trade accounts payables		5,281	5,764	179,456	206,528
Other payables	3	27,011	35,636	917,872	1,276,862
Current portion of long-term borrowings	9	11,890	9,890	404,039	354,366
Current portion of finance lease liabilities		11	11	374	394
Current income tax payable		208	234	7,068	8,384
Total current liabilities		44,401	51,535	1,508,809	1,846,534
<i>Non-current liabilities</i>					
Long-term borrowings	9	73,670	79,615	2,503,410	2,852,661
Finance lease liabilities		11	1	374	36
Provisions for employee benefits		2,648	2,687	89,983	96,277
Total non-current liabilities		76,329	82,303	2,593,767	2,948,974
Total liabilities		120,730	133,838	4,102,576	4,795,508

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

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

Liabilities and equity	Consolidated financial statements			
	30 June	31 December	30 June	31 December
	2017	2016	2017	2016
	(Unaudited)		(Unaudited)	
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Equity				
Share capital				
Authorized share capital	-	-	1,416,701	1,416,701
Issued and paid share capital	47,322	47,322	1,413,329	1,413,329
Share premium on ordinary shares	343,536	343,536	12,271,678	12,271,678
Deficit	(45,793)	(50,400)	(3,369,417)	(3,529,009)
Other components of equity	(2,199)	(1,801)	1,339,434	1,981,528
Equity attributable to owners of				
the parent	342,866	338,657	11,655,024	12,137,526
Non-controlling interests	(401)	(410)	(17,584)	(17,901)
Total equity	342,465	338,247	11,637,440	12,119,625
Total liabilities and equity	463,195	472,085	15,740,016	16,915,133

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

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

Assets	Note	Separate financial statements			
		30 June	31 December	30 June	31 December
		2017	2016	2017	2016
		(Unaudited)		(Unaudited)	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current assets					
Cash and cash equivalents		25,112	20,877	853,342	748,039
Short-term deposit at financial institution		22,950	27,950	779,873	1,001,468
Other receivables		215	197	7,306	7,059
Receivables from related parties	3	135,009	128,533	4,587,795	4,605,427
Short-term loans to related parties	3	53,382	50,627	1,813,995	1,814,001
Total current assets		236,668	228,184	8,042,311	8,175,994
Non-current assets					
Investment in joint venture	5	213	213	7,238	7,632
Investments in subsidiaries	6	192,319	192,319	6,535,269	6,890,924
Investment properties		2,057	2,197	69,900	78,720
Property, plant and equipment	7	135	142	4,587	5,088
Intangible assets		55	71	1,869	2,544
Deferred tax assets		11	11	374	394
Other non-current assets		32	33	1,087	1,182
Total non-current assets		194,822	194,986	6,620,324	6,986,484
Total assets		431,490	423,170	14,662,635	15,162,478

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

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

	Note	Separate financial statements			
		30 June	31 December	30 June	31 December
		2017	2016	2017	2016
Liabilities and equity		(Unaudited)		(Unaudited)	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current liabilities</i>					
Other payables	3	36,039	36,332	1,224,656	1,301,800
Current income tax payable		-	8	-	287
Total current liabilities		36,039	36,340	1,224,656	1,302,087
<i>Non-current liabilities</i>					
Provisions for employee benefits		80	73	2,719	2,616
Total non-current liabilities		80	73	2,719	2,616
Total liabilities		36,119	36,413	1,227,375	1,304,703
<i>Equity</i>					
Share capital					
Authorized share capital		-	-	1,416,701	1,416,701
Issued and paid share capital		47,322	47,322	1,413,329	1,413,329
Share premium on ordinary shares		343,536	343,536	12,271,678	12,271,678
Differences arising from common control transactions		(7,406)	(7,406)	(239,757)	(239,757)
Retained earnings (Deficit)					
Unappropriated (Deficit)		11,891	3,277	(1,069,916)	(1,370,244)
Other components of equity		28	28	1,059,926	1,782,769
Total equity		395,371	386,757	13,435,260	13,857,775
Total liabilities and equity		431,490	423,170	14,662,635	15,162,478

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

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

Consolidated financial statements					
		Three-month period ended 30 June		Three-month period ended 30 June	
		2017	2016	2017	2016
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Revenues					
Revenues from services	3	44,456	49,630	1,524,899	1,751,021
Interest income		168	96	5,763	3,387
Net gain on foreign exchange		194	474	6,654	16,723
Other income	3	52	121	1,783	4,269
Total revenues		44,870	50,321	1,539,099	1,775,400
Expenses					
Costs of rendering of services		35,337	38,246	1,212,105	1,349,376
Administrative expenses		6,261	6,908	214,760	243,725
Finance costs		896	874	30,734	30,836
Total expenses		42,494	46,028	1,457,599	1,623,937
Share of profit of associates and joint venture		1,181	3,483	40,510	122,886
Profit before income tax expense (income)		3,557	7,776	122,010	274,349
Tax expense (income)		(60)	5	(2,058)	176
Profit for the period		3,617	7,771	124,068	274,173
Other comprehensive income (expense)					
<i>Components of other comprehensive income</i>					
<i>(expense) that will be reclassified to profit or loss</i>					
Exchange differences on translating financial statements		-	19	-	670
Translation adjustments		-	-	(159,976)	(19,801)
Other comprehensive income (expense) for the period, net of tax		-	19	(159,976)	(19,131)
Total comprehensive income (expense) for the period		3,617	7,790	(35,908)	255,042

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

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

Consolidated financial statements					
		Three-month period ended		Three-month period ended	
		30 June		30 June	
<i>Note</i>	2017	2016	2017	2016	
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>		
Profit (loss) attributable to:					
Owners of parent	3,618	7,744	124,102	273,220	
Non-controlling interests	(1)	27	(34)	953	
Profit for the period	<u>3,617</u>	<u>7,771</u>	<u>124,068</u>	<u>274,173</u>	
Total comprehensive income (expense) attributable to:					
Owners of parent	3,618	7,761	(35,874)	254,018	
Non-controlling interests	(1)	29	(34)	1,024	
Total comprehensive income (expense) for the period	<u>3,617</u>	<u>7,790</u>	<u>(35,908)</u>	<u>255,042</u>	
Basic earnings per share					
	<i>(in US Dollar)</i>		<i>(in Baht)</i>		
<i>11</i> Basic earnings per share	<u>0.0026</u>	<u>0.0055</u>	<u>0.0878</u>	<u>0.1933</u>	

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

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

Consolidated financial statements						
		Six-month period ended		Six-month period ended		
		30 June		30 June		
<i>Note</i>		2017	2016	2017	2016	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>		
Revenues						
	Revenues from services	3	80,995	89,243	2,807,970	3,163,918
	Interest income		320	169	11,100	5,991
	Net gain on foreign exchange		603	219	21,016	7,628
	Other income	3	1,407	197	49,364	6,984
	Total revenues		83,325	89,828	2,889,450	3,184,521
Expenses						
	Costs of rendering of services		67,490	76,270	2,341,161	2,705,597
	Administrative expenses		12,073	11,408	418,849	404,233
	Finance costs		1,768	1,723	61,354	61,119
	Total expenses		81,331	89,401	2,821,364	3,170,949
	Share of profit of associates and joint venture		2,367	7,734	82,157	274,508
	Profit before income tax expense (income)		4,361	8,161	150,243	288,080
	Tax expense (income)		(1)	(848)	14	(30,248)
	Profit for the period		4,362	9,009	150,229	318,328
Other comprehensive income (expense)						
<i>Components of other comprehensive income</i>						
<i>(expense) that will be reclassified to profit or loss</i>						
	Exchange differences on translating financial statements		(144)	(6)	(5,057)	(221)
	Translation adjustments		-	-	(627,357)	(293,012)
	Other comprehensive income (expense) for the period, net of tax		(144)	(6)	(632,414)	(293,233)
	Total comprehensive income (expense) for the period		4,218	9,003	(482,185)	25,095

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

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

Consolidated financial statements					
		Six-month period ended		Six-month period ended	
		30 June		30 June	
<i>Note</i>	2017	2016	2017	2016	
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>		
Profit (loss) attributable to:					
Owners of parent	4,353	9,011	149,912	318,409	
Non-controlling interests	9	(2)	317	(81)	
Profit for the period	<u>4,362</u>	<u>9,009</u>	<u>150,229</u>	<u>318,328</u>	
Total comprehensive income (expense) attributable to:					
Owners of parent	4,209	9,005	(482,502)	25,176	
Non-controlling interests	9	(2)	317	(81)	
Total comprehensive income (expense) for the period	<u>4,218</u>	<u>9,003</u>	<u>(482,185)</u>	<u>25,095</u>	
Basic earnings per share					
	<i>(in US Dollar)</i>		<i>(in Baht)</i>		
Basic earnings per share	<u>0.0031</u>	<u>0.0064</u>	<u>0.1061</u>	<u>0.2253</u>	<i>11</i>

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

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

		Separate financial statements				
		Three-month period ended		Three-month period ended		
		30 June		30 June		
<i>Note</i>		2017	2016	2017	2016	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>		
Revenues						
	Management fee income	3	-	330	-	11,643
	Interest income	3	295	1,760	10,119	62,095
	Net gain on foreign exchange		2,232	419	76,561	14,783
	Other income	3	1,086	120	37,251	4,234
	Total revenues		3,613	2,629	123,931	92,755
Expenses						
	Administrative expenses		967	1,132	33,170	39,938
	Total expenses		967	1,132	33,170	39,938
	Profit before income tax expense		2,646	1,497	90,761	52,817
	Tax expense		-	11	-	388
	Profit for the period		2,646	1,486	90,761	52,429
Other comprehensive income (expense)						
<i>Components of other comprehensive income</i>						
<i>(expense) that will be reclassified to profit or loss</i>						
	Translation adjustments		-	-	(184,917)	(23,148)
	Other comprehensive expense					
	for the period, net of tax		-	-	(184,917)	(23,148)
	Total comprehensive income (expense)					
	for the period		2,646	1,486	(94,156)	29,281
Basic earnings per share			<i>(in US Dollar)</i>		<i>(in Baht)</i>	
	Basic earnings per share	11	0.0019	0.0011	0.0642	0.0371

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

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

		Separate financial statements				
		Six-month period ended		Six-month period ended		
		30 June		30 June		
<i>Note</i>		2017	2016	2017	2016	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>		
Revenues						
	Management fee income	3	-	660	-	23,413
	Interest income	3	593	2,810	20,583	99,546
	Net gain on foreign exchange		8,481	5,966	295,995	212,631
	Other income	3	1,170	229	40,201	8,122
	Total revenues		10,244	9,665	356,779	343,712
Expenses						
	Administrative expenses		1,630	1,957	56,451	69,364
	Total expenses		1,630	1,957	56,451	69,364
	Profit before income tax expense		8,614	7,708	300,328	274,348
	Tax expense		-	20	-	709
	Profit for the period		8,614	7,688	300,328	273,639
Other comprehensive income (expense)						
<i>Components of other comprehensive income</i>						
<i>(expense) that will be reclassified to profit or loss</i>						
	Translation adjustments		-	-	(722,843)	(351,596)
	Other comprehensive expense					
	for the period, net of tax		-	-	(722,843)	(351,596)
	Total comprehensive income (expense)					
	for the period		8,614	7,688	(422,515)	(77,957)
Basic earnings per share			<i>(in US Dollar)</i>		<i>(in Baht)</i>	
	Basic earnings per share	11	0.0061	0.0054	0.2125	0.1936

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Consolidated financial statements										
		Retained earnings/(Deficit)				Other components of equity			Equity attributable to owners of parent	Non-controlling interests	Total equity	
		Issued and paid share capital	Share premium on ordinary shares	Legal reserve	Deficit	Translation of financial statements	Share-based payment	Changes in ownership interests				Total other components of equity
<i>(in thousand US Dollar)</i>												
Six-month period ended 30 June 2016												
Balance at 1 January 2016		47,322	422,563	4,503	(151,031)	1,348	28	(3,166)	(1,790)	321,567	(528)	321,039
Comprehensive income (expense) for the period												
Profit or loss		-	-	-	9,011	-	-	-	-	9,011	(2)	9,009
Exchange differences on translating financial statements		-	-	-	-	(6)	-	-	(6)	(6)	-	(6)
Total comprehensive income (expense) for the period		-	-	-	9,011	(6)	-	-	(6)	9,005	(2)	9,003
Transfer share premium on ordinary shares to compensate for deficit	15	-	(79,027)	-	79,027	-	-	-	-	-	-	-
Transfer legal reserve to compensate for deficit	15	-	-	(4,503)	4,503	-	-	-	-	-	-	-
Balance at 30 June 2016		47,322	343,536	-	(58,490)	1,342	28	(3,166)	(1,796)	330,572	(530)	330,042

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Consolidated financial statements											
	Note	Retained earnings/(Deficit)			Other components of equity			Equity attributable to owners of parent	Non-controlling interests	Total equity		
		Issued and paid share capital	Share premium on ordinary shares	Legal reserve	Deficit	Translation of financial statements	Share-based payment				Changes in ownership interests	Total other components of equity
<i>(in thousand US Dollar)</i>												
Six-month period ended 30 June 2017												
Balance at 1 January 2017		47,322	343,536	-	(50,400)	1,337	28	(3,166)	(1,801)	338,657	(410)	338,247
Transactions with owners, recorded directly in equity												
<i>Distributions to owners of the parent</i>												
Liquidation of a subsidiary	6	-	-	-	254	-	-	(254)	(254)	-	-	-
Total distributions to owners of the parent		-	-	-	254	-	-	(254)	(254)	-	-	-
Total transactions with owners, recorded directly in equity		-	-	-	254	-	-	(254)	(254)	-	-	-
Comprehensive income for the period												
Profit or loss		-	-	-	4,353	-	-	-	-	4,353	9	4,362
Exchange differences on translating financial statements		-	-	-	-	(144)	-	-	(144)	(144)	-	(144)
Total comprehensive income (expense) for the period		-	-	-	4,353	(144)	-	-	(144)	4,209	9	4,218
Balance at 30 June 2017		47,322	343,536	-	(45,793)	1,193	28	(3,420)	(2,199)	342,866	(401)	342,465

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Consolidated financial statements											
	<i>Note</i>	Issued and paid share capital	Share premium on ordinary shares	Retained earnings/(Deficit)		Other components of equity			Total other components of equity	Equity attributable to owners of parent	Non- controlling interests	Total equity
				Legal reserve	Deficit	Translation of financial statements	Share-based payment	Changes in ownership interests				
<i>(in thousand Baht)</i>												
Six-month period ended 30 June 2016												
Balance at 1 January 2016		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
Comprehensive income (expense)												
for the period												
Profit or loss		-	-	-	318,409	-	-	-	-	318,409	(81)	318,328
Exchange differences on translating financial statements		-	-	-	-	(221)	-	-	(221)	(221)	-	(221)
Translation adjustments		-	-	-	-	(293,012)	-	-	(293,012)	(293,012)	-	(293,012)
Total comprehensive income (expense) for the period		-	-	-	318,409	(293,233)	-	-	(293,233)	25,176	(81)	25,095
Transfer share premium on ordinary shares to compensate for deficit	<i>15</i>	-	(1,286,935)	-	1,286,935	-	-	-	-	-	-	-
Transfer legal reserve to compensate for deficit	<i>15</i>	-	-	(141,670)	141,670	-	-	-	-	-	-	-
Balance at 30 June 2016		1,413,329	12,271,678	-	(3,811,227)	1,869,906	874	(111,483)	1,759,297	11,633,077	(22,134)	11,610,943

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

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

	Consolidated financial statements											
	Note	Issued and paid share capital	Share premium on ordinary shares	Retained earnings/(Deficit)		Other components of equity			Total other components of equity	Equity attributable to owners of parent	Non-controlling interests	Total equity
				Legal reserve	Deficit	Translation of financial statements	Share-based payment	Changes in ownership interests				
<i>(in thousand Baht)</i>												
Six-month period ended 30 June 2017												
Balance at 1 January 2017		1,413,329	12,271,678	-	(3,529,009)	2,092,137	874	(111,483)	1,981,528	12,137,526	(17,901)	12,119,625
Transactions with owners, recorded directly in equity												
<i>Distributions to owners of the parent</i>												
Liquidation of a subsidiary	6	-	-	-	9,680	-	-	(9,680)	(9,680)	-	-	-
<i>Total distributions to owners of the parent</i>		-	-	-	9,680	-	-	(9,680)	(9,680)	-	-	-
Total transactions with owners, recorded directly in equity		-	-	-	9,680	-	-	(9,680)	(9,680)	-	-	-
Comprehensive income for the period												
Profit or loss		-	-	-	149,912	-	-	-	-	149,912	317	150,229
Exchange differences on translating financial statements		-	-	-	-	(5,057)	-	-	(5,057)	(5,057)	-	(5,057)
Translation adjustments		-	-	-	-	(627,357)	-	-	(627,357)	(627,357)	-	(627,357)
Total comprehensive income (expense) for the period		-	-	-	149,912	(632,414)	-	-	(632,414)	(482,502)	317	(482,185)
Balance at 30 June 2017		1,413,329	12,271,678	-	(3,369,417)	1,459,723	874	(121,163)	1,339,434	11,655,024	(17,584)	11,637,440

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Separate financial statements					Other components	Total equity
	Issued and paid share capital	Share premium on ordinary shares	Differences arising from common control transactions	Retained earnings/(Deficit)		of equity Share-based payment	
Note				Legal reserve	Deficit		
<i>(in thousand US Dollar)</i>							
Six-month period ended 30 June 2016							
Balance at 1 January 2016	47,322	422,563	(7,406)	4,503	(83,454)	28	383,556
Comprehensive income for the period							
Profit or loss	-	-	-	-	7,688	-	7,688
Total comprehensive income for the period	-	-	-	-	7,688	-	7,688
Transfer share premium on ordinary shares to compensate for deficit	15	(79,027)	-	-	79,027	-	-
Transfer legal reserve to compensate for deficit	15	-	-	(4,503)	4,503	-	-
Balance at 30 June 2016	47,322	343,536	(7,406)	-	7,764	28	391,244

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Separate financial statements					Other components	Total equity
	Issued and paid share capital	Share premium on ordinary shares	Differences arising from common control transactions	Retained earnings		of equity Share-based payment	
				Legal reserve	Unappropriated		
<i>(in thousand US Dollar)</i>							
Six-month period ended 30 June 2017							
Balance at 1 January 2017	47,322	343,536	(7,406)	-	3,277	28	386,757
Comprehensive income for the period							
Profit or loss	-	-	-	-	8,614	-	8,614
Total comprehensive income for the period	-	-	-	-	8,614	-	8,614
Balance at 30 June 2017	47,322	343,536	(7,406)	-	11,891	28	395,371

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Separate financial statements								
		Issued and paid share capital	Share premium on ordinary shares	Differences arising from common control transactions	Retained earnings/(Deficit)		Other components of equity			Total equity
					Legal reserve	Deficit	Translation of financial statements	Share-based payment	Total other components of equity	
<i>(in thousand Baht)</i>										
Six-month period ended 30 June 2016										
Balance at 1 January 2016		1,413,329	13,558,613	(239,757)	141,670	(2,912,853)	1,880,123	874	1,880,997	13,841,999
Comprehensive income (expense) for the period										
Profit or loss		-	-	-	-	273,639	-	-	-	273,639
Translation adjustments		-	-	-	-	-	(351,596)	-	(351,596)	(351,596)
Total comprehensive income (expense) for the period		-	-	-	-	273,639	(351,596)	-	(351,596)	(77,957)
Transfer share premium on ordinary shares to compensate for deficit	15	-	(1,286,935)	-	-	1,286,935	-	-	-	-
Transfer legal reserve to compensate for deficit	15	-	-	-	(141,670)	141,670	-	-	-	-
Balance at 30 June 2016		1,413,329	12,271,678	(239,757)	-	(1,210,609)	1,528,527	874	1,529,401	13,764,042

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Issued and paid share capital	Share premium on ordinary shares	Differences arising from common control transactions	Separate financial statements		Other components of equity			Total equity
				Retained earnings/(Deficit)		Translation of financial statements	Share-based payment	Total other components of equity	
				Legal reserve	Deficit				
<i>(in thousand Baht)</i>									
Six-month period ended 30 June 2017									
Balance at 1 January 2017	1,413,329	12,271,678	(239,757)	-	(1,370,244)	1,781,895	874	1,782,769	13,857,775
Comprehensive income (expense) for the period									
Profit or loss	-	-	-	-	300,328	-	-	-	300,328
Translation adjustments	-	-	-	-	-	(722,843)	-	(722,843)	(722,843)
Total comprehensive income (expense) for the period	-	-	-	-	300,328	(722,843)	-	(722,843)	(422,515)
Balance at 30 June 2017	1,413,329	12,271,678	(239,757)	-	(1,069,916)	1,059,052	874	1,059,926	13,435,260

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial statements			
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2017	2016	2017	2016
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>				
Profit for the period	4,362	9,009	150,229	318,328
<i>Adjustments to reconcile profit to cash receipts</i>				
<i>(payments)</i>				
Tax expense (income)	(1)	(848)	14	(30,248)
Finance costs	1,768	1,723	61,354	61,119
Depreciation	10,015	10,260	347,794	363,960
Amortisation	1,087	1,095	37,728	38,845
Reversal of impairment losses on assets	-	(50)	-	(1,783)
Unrealised gain on exchange	(562)	(152)	(19,632)	(5,241)
Share of profit of associates and joint venture, net of tax	(2,367)	(7,734)	(82,157)	(274,508)
(Reversal of) bad and doubtful debts expenses	-	(133)	-	(4,847)
Gains on disposals of property, plant and equipment	(6)	(9)	(211)	(325)
Interest income	(320)	(169)	(11,100)	(5,991)
Gains from liquidation of a subsidiary	(145)	-	(5,092)	-
Provision for employee benefits	376	629	13,041	22,282
Reversal of non-refundable withholding tax	(1,020)	-	(35,920)	-
Loss from write-off non-refundable withholding tax	1,080	2,173	37,507	77,046
	<u>14,267</u>	<u>15,794</u>	<u>493,555</u>	<u>558,637</u>
<i>Changes in operating assets and liabilities</i>				
Restricted deposit at financial institutions	(290)	(98)	(9,855)	(3,448)
Trade accounts receivables	(3,565)	31,241	(121,144)	1,099,065
Other receivables	6,684	(395)	227,132	(13,896)
Supplies and spare parts	(363)	672	(12,335)	23,641
Other non-current assets	42	113	1,427	3,975
Trade accounts payables	(513)	(7,584)	(17,432)	(266,807)
Other payables	(8,972)	(9,905)	(304,881)	(348,461)
Exchange rate (gains) losses from translating financial statements	1	(6)	35	(222)
Translation adjustments	-	-	(121,202)	(53,638)
Net cash generated from operating	<u>7,291</u>	<u>29,832</u>	<u>135,300</u>	<u>998,846</u>
Employee benefit paid	(415)	(108)	(14,431)	(3,839)
Taxes paid	(952)	(2,978)	(33,219)	(105,854)
Net cash from operating activities	<u>5,924</u>	<u>26,746</u>	<u>87,650</u>	<u>889,153</u>

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

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

	Consolidated financial statements			
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2017	2016	2017	2016
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Cash flows from investing activities</i>				
Proceeds in short-term deposit at financial institutions	5,000	-	169,907	-
Proceeds from sale of property, plant and equipment and intangible assets	38	46	1,291	1,618
Acquisition of property, plant and equipment and intangible assets	(1,112)	(1,104)	(37,788)	(38,839)
Dividends received from associates	-	6,752	-	237,537
Interest received	343	117	11,656	4,116
Net cash from investing activities	<u>4,269</u>	<u>5,811</u>	<u>145,066</u>	<u>204,432</u>
<i>Cash flows from financing activities</i>				
Repayment of borrowings	(4,000)	(9,113)	(135,926)	(320,597)
Payment by a lessee for reduction of the outstanding liability relating to a finance lease	(13)	(24)	(442)	(844)
Finance costs paid	(1,720)	(1,677)	(59,692)	(59,487)
Net cash used in financing activities	<u>(5,733)</u>	<u>(10,814)</u>	<u>(196,060)</u>	<u>(380,928)</u>
Net increase in cash and cash equivalents, before effect of exchange rates	4,460	21,743	36,656	712,657
Effect of exchange rates changes on cash and cash equivalents	516	115	18,118	4,159
Net increase in cash and cash equivalents	<u>4,976</u>	<u>21,858</u>	<u>54,774</u>	<u>716,816</u>
Cash and cash equivalents at beginning of period	61,817	57,411	2,214,946	2,071,883
Cash and cash equivalents at ending of period	<u>66,793</u>	<u>79,269</u>	<u>2,269,720</u>	<u>2,788,699</u>
<i>Non-cash transactions</i>				
Receivables for sales of property, plant and equipment and intangible assets	2	20	68	704
Payables for purchase of property, plant and equipment and intangible assets	331	322	11,248	11,328
Finance lease agreements for purchases of equipment	22	19	748	668

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

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

	Separate financial statements			
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2017	2016	2017	2016
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>				
Profit for the period	8,614	7,688	300,328	273,639
<i>Adjustments to reconcile profit to cash receipts</i> <i>(payments)</i>				
Tax expense (income)	-	20	-	709
Depreciation	166	183	5,762	6,492
Amortization	15	16	521	567
Unrealised gains on exchange	(8,555)	(6,059)	(298,565)	(215,926)
(Reversal of) bad and doubtful debts expenses	(938)	40	(32,124)	1,411
Provision for employee benefits	7	9	242	319
Gains on disposal of property, plant and equipment	-	(11)	-	(389)
Interest income	(593)	(2,810)	(20,583)	(99,546)
	<u>(1,284)</u>	<u>(924)</u>	<u>(44,419)</u>	<u>(32,724)</u>
<i>Changes in operating assets and liabilities</i>				
Receivables from related parties	626	(620)	21,272	(21,812)
Other receivables	(43)	(36)	(1,462)	(1,267)
Other non-current assets	-	4	-	141
Other payables	(290)	(247)	(9,855)	(8,691)
Translation adjustments	-	-	(37,821)	(21,001)
Net cash used in operating	<u>(991)</u>	<u>(1,823)</u>	<u>(72,285)</u>	<u>(85,354)</u>
Taxes paid	(27)	(772)	(941)	(27,240)
Net cash used in operating activities	<u>(1,018)</u>	<u>(2,595)</u>	<u>(73,226)</u>	<u>(112,594)</u>
<i>Cash flows from investing activities</i>				
Proceeds from short-term deposit at financial institution	5,000	-	169,907	-
Proceeds from sale of property, plant and equipment and intangible assets	-	11	-	387
Acquisition of property, plant and equipment and intangible assets	(20)	(4)	(680)	(141)
Proceeds from repayment of short-term loans to related parties	-	11,900	-	418,644
Dividends received from a subsidiary	-	8,000	-	281,442
Interest received	247	80	8,393	2,814
Net cash from investing activities	<u>5,227</u>	<u>19,987</u>	<u>177,620</u>	<u>703,146</u>

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

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

	Separate financial statements			
	Six-month period ended		Six-month period ended	
	30 June		30 June	
<i>Note</i>	2017	2016	2017	2016
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Cash flows from financing activities</i>				
Proceeds from borrowings	-	6,800	-	239,627
Net cash from financing activities	-	6,800	-	239,627
Net increase in cash and cash equivalents,				
before effect of exchange rates	4,209	24,192	104,394	830,179
Effects of exchange rate changes on cash and				
cash equivalents	26	31	909	1,107
Net increase in cash and cash equivalents	4,235	24,223	105,303	831,286
Cash and cash equivalents at beginning of period	20,877	22,990	748,039	829,677
Cash and cash equivalents at ending of period	25,112	47,213	853,342	1,660,963
<i>Non-cash transactions</i>				
Dividends receivable	-	1,600	-	56,288
Debt forgiveness to subsidiaries	3	3,658	-	124,304

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

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Note	Contents
1	General information
2	Basis of preparation of the interim financial statements
3	Related parties
4	Trade accounts receivables
5	Investments in associates and joint venture
6	Investments in subsidiaries
7	Property, plant and equipment
8	Short-term borrowings
9	Long-term borrowings
10	Segment information
11	Earnings per share
12	Financial instruments
13	Guarantees
14	Commitments with non-related parties
15	The compensation of accumulated loss

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

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

The interim financial statements have been approved and authorised for issue by the Board of Directors on 11 August 2017.

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 operation 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 30 June 2017 and 31 December 2016 were as follows:

Name of the entities	Nature of business	Country of incorporation	Direct/Indirect holding (%)	
			30 June 2017	31 December 2016
<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
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

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Name of the entities	Nature of business	Country of incorporation	Direct/Indirect holding (%)	
			30 June 2017	31 December 2016
MTR - 2 (Singapore) Pte. Ltd.***	”	Singapore	-	95.0
Mermaid Drilling (Singapore) Pte. Ltd.	Production and exploration drilling services	Singapore	100.0	100.0
MTR - 3 (Singapore) Pte. Ltd.	”	Singapore	100.0	100.0
MTR - 4 (Singapore) Pte. Ltd.	”	Singapore	100.0	100.0
Mermaid MTN Pte. Ltd.***	”	Singapore	-	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
Mermaid Subsea Services Saudi Arabia Co., Ltd. (formerly 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.

** Seascope Surveys (Thailand) Ltd. was liquidated on 21 February 2017.

*** MTR - 2 (Singapore) Pte. Ltd. and Mermaid MTN Pte. Ltd. were deregistered on 10 January 2017.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2016) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP).

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2016. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2016.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2016 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2017. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group or the Company.

(b) *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 interim 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. All financial information presented in US Dollar and Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(c) *Use of judgements and estimates*

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

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for year ended 31 December 2016.

Measurement of fair values

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 chief financial officer.

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 these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the 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:

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

- 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 Note 12 - financial instruments.

3 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or 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

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

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

Transactions	Pricing policies
Rending of services	Prices normally charged to a third party
Management fee	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

Significant transactions for the three-month and six-month periods ended 30 June with related parties were as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements			
	2017 <i>(in thousand US Dollar)</i>	2016	2017 <i>(in thousand Baht)</i>	2016
Parent				
Rental income	13	10	446	353
Other administrative expenses	12	24	412	847
Joint venture				
Rending of services	16,942	20,738	581,133	731,668
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	259	172	8,884	6,068
Post-employment benefits	-	-	17	11
Total key management personnel compensation	259	172	8,901	6,079

<i>Six-month period ended 30 June</i>	Consolidated financial statements			
	2017 <i>(in thousand US Dollar)</i>	2016	2017 <i>(in thousand Baht)</i>	2016
Parent				
Rental income	26	20	902	710
Other administrative expenses	25	47	868	1,667
Joint venture				
Rending of services	33,005	41,021	1,145,187	1,455,112
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	489	355	16,960	12,595
Post-employment benefits	-	-	34	22
Total key management personnel compensation	489	355	16,994	12,617

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

<i>Three-month period ended 30 June</i>	Separate financial statements			
	2017 <i>(in thousand US Dollar)</i>	2016	2017 <i>(in thousand Baht)</i>	2016
Parent				
Rental income	13	10	446	353
Other administrative expenses	12	24	412	847
Subsidiaries				
Management fee	-	330	-	11,643
Interest income	198	1,684	6,792	59,414
Rental income	56	82	1,921	2,893
Other income	18	16	617	565
Other administrative expenses	1	41	34	1,447
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	198	117	6,792	4,128
Post-employment benefits	-	-	17	11
Total key management personnel compensation	198	117	6,809	4,139
<i>Six-month period ended 30 June</i>	Separate financial statements			
	2017 <i>(in thousand US Dollar)</i>	2016	2017 <i>(in thousand Baht)</i>	2016
Parent				
Rental income	26	20	902	710
Other administrative expenses	25	47	868	1,667
Subsidiaries				
Management fee	-	660	-	23,413
Interest income	391	2,683	13,569	95,046
Rental income	110	163	3,817	5,782
Other income	35	33	1,214	1,171
Other administrative expenses	64	41	2,246	1,447
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	364	242	12,621	8,586
Post-employment benefits	-	-	34	22
Total key management personnel compensation	364	242	12,655	8,608

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Balances as at 30 June 2017 and 31 December 2016 with related parties were as follows:

	Consolidated financial statements			
	30 June 2017 <i>(in thousand US Dollar)</i>	31 December 2016	30 June 2017 <i>(in thousand Baht)</i>	31 December 2016
Trade accounts receivables from related parties				
Joint venture	40,603	31,714	1,379,747	1,136,335
Total	40,603	31,714	1,379,747	1,136,335
Receivables from related parties				
Parent	4	4	136	143
Total	4	4	136	143
Payables to related parties				
Parent	4	4	136	143
Total	4	4	136	143
Separate financial statements				
	30 June 2017 <i>(in thousand US Dollar)</i>	31 December 2016	30 June 2017 <i>(in thousand Baht)</i>	31 December 2016
Receivables from related parties				
Parent	4	4	136	143
Subsidiaries	57,286	59,488	1,946,659	2,131,497
Subsidiaries - transferred investments in associates under common control	79,079	74,997	2,687,215	2,687,195
	136,369	134,489	4,634,010	4,818,835
Less allowance for doubtful account	(1,360)	(5,956)	(46,215)	(213,408)
Net	135,009	128,533	4,587,795	4,605,427
(Reversal of) bad and doubtful debts expense for the:				
- Three-month period ended 30 June	(1,000)	-	(34,301)	-
- Six-month period ended 30 June	(938)	-	(32,124)	-
Short-term loans to related parties				
Subsidiaries	53,382	50,627	1,813,995	1,814,001
Total	53,382	50,627	1,813,995	1,814,001
Other payables to related parties				
Parent	4	4	136	143
Subsidiaries	35,361	35,362	1,201,616	1,267,046
Total	35,365	35,366	1,201,752	1,267,189

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Debt forgiveness to subsidiaries

During the 6-month period ended 30 June 2017, the Company forgave receivables due from direct subsidiaries MTR-3 (Singapore) Pte. Ltd. (“M3S”) and MTR-4 (Singapore) Pte. Ltd. (“M4S”) of US Dollar 1.8 million and US Dollar 1.8 million, respectively. A parent company’s forgiveness of debt due from a subsidiary is considered a capital contribution by the parent company. As a result, the Company accounted for the losses on debt forgiveness as capital contributions to M3S and M4S by increasing the total cost of investments in subsidiaries by US Dollar 3.7 million and reclassifying the corresponding allowance for doubtful debts of US Dollar 3.7 million to be allowance for impairment in investments in subsidiaries.

Movements of short-term loans to related parties, excluding interest receivable from related parties, during the six-month periods ended 30 June 2017 and 2016 were as follows:

	Separate financial statements			
	2017 <i>(in thousand US Dollar)</i>	2016	2017 <i>(in thousand Baht)</i>	2016
<i>Subsidiaries</i>				
At 1 January	50,627	130,008	1,814,001	4,691,807
Decreases	-	(11,858)	-	(417,167)
Realised losses on exchange	-	(42)	-	(1,477)
Unrealised gains on exchange	2,755	3,096	96,152	110,334
Translation adjustments	-	-	(96,158)	(119,516)
At 30 June	<u>53,382</u>	<u>121,204</u>	<u>1,813,995</u>	<u>4,263,981</u>

Movements of short-term loans from related parties during the six-month periods ended 30 June 2017 and 2016 were as follows:

	Separate financial statements			
	2017 <i>(in thousand US Dollar)</i>	2016	2017 <i>(in thousand Baht)</i>	2016
<i>Subsidiary</i>				
At 1 January	-	-	-	-
Increase	-	6,800	-	239,627
Translation adjustments	-	-	-	(402)
At 30 June	<u>-</u>	<u>6,800</u>	<u>-</u>	<u>239,225</u>

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

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

4 Trade accounts receivables

	Note	Consolidated financial statements			
		30 June 2017 <i>(in thousand US Dollar)</i>	31 December 2016	30 June 2017 <i>(in thousand Baht)</i>	31 December 2016
Joint venture	3	40,603	31,714	1,379,747	1,136,335
Other parties		19,048	25,929	647,278	929,054
Retention receivables		1,914	4,695	65,040	168,225
Accrued income		7,821	3,500	265,769	125,408
Total		69,386	65,838	2,357,834	2,359,022
Less allowance for doubtful accounts		(585)	(585)	(19,879)	(20,961)
Net		68,801	65,253	2,337,955	2,338,061
		2017 <i>(in thousand US Dollar)</i>	2016	2017 <i>(in thousand Baht)</i>	2016
(Reversal of) bad and doubtful debts expense for the three-month and six-month periods ended 30 June		-	(133)	-	(4,847)

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements			
	30 June 2017 <i>(in thousand US Dollar)</i>	31 December 2016	31 June 2017 <i>(in thousand Baht)</i>	31 December 2016
Within credit terms	33,631	26,696	1,142,829	956,536
Overdue:				
Less than 3 months	23,400	28,987	795,165	1,038,625
3-6 months	8,514	3,498	289,318	125,336
6-12 months	27	174	917	6,235
Over 12 months	1,900	1,788	64,565	64,065
	67,472	61,143	2,292,794	2,190,797
Less allowance for doubtful accounts	(585)	(585)	(19,879)	(20,961)
Net	66,887	60,558	2,272,915	2,169,836
Retention receivables	1,914	4,695	65,040	168,225
Total	68,801	65,253	2,337,955	2,338,061

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

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

5 Investments in associates and joint venture

<i>Six-month period ended 30 June</i>	Consolidated financial statements			
	2017 <i>(in thousand US Dollar)</i>	2016	2017 <i>(in thousand Baht)</i>	2016
Associates				
At 1 January	84,359	73,721	3,022,642	2,660,488
Share of profits of associates	2,325	6,985	80,695	248,044
Translation adjustments	-	-	(157,693)	(69,279)
At 30 June	86,684	80,706	2,945,644	2,839,253
Joint venture				
At 1 January	1,965	1,076	70,407	38,831
Share of profit of joint venture	42	749	1,462	26,464
Translation adjustments	-	-	(3,668)	(1,091)
At 30 June	2,007	1,825	68,201	64,204
Total				
At 1 January	86,324	74,797	3,093,049	2,699,319
Share of net profits of associates and joint venture	2,367	7,734	82,157	274,508
Translation adjustments	-	-	(161,361)	(70,370)
At 30 June	88,691	82,531	3,013,845	2,903,457
Separate financial statements				
<i>Six-month period ended 30 June</i>	2017 <i>(in thousand US Dollar)</i>	2016	2017 <i>(in thousand Baht)</i>	2016
Joint venture				
At 1 January	213	213	7,632	7,687
Translation adjustments	-	-	(394)	(194)
At 30 June	213	213	7,238	7,493

During the six-month period ended 30 June 2017 there were no acquisitions of investments in associates and joint venture.

Investment in associates

The ultimate parent company and its subsidiaries (outside Thoresen Thai Agencies Public Company Limited and its subsidiaries (“TTA Group”)) of the Group’s associates are currently undergoing comprehensive restructuring negotiations for its debts. These negotiations are expected to be completed in the future and the outcomes are currently uncertain. All of its debts contain cross-default provisions, including the debts of the Group’s associates which are secured by the operating assets of the Group’s associates and are guaranteed by the ultimate parent company (outside TTA Group) of the Group’s associates.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Investments in associates and joint venture as at 30 June 2017 and 31 December 2016, and dividend income from those investments for the six-month periods ended 30 June 2017 and 2016 were as follows:

	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity		Dividend income for the six-month periods ended		
			30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	30 June 2016	
			(%)										
Indirect associates													
Asia Offshore													
	Drilling Limited ^(A)	Drilling services	Bermuda	33.76	33.76	USD 60 million	USD 60 million	97,582	97,582	86,684	84,359	-	-
								<u>97,582</u>	<u>97,582</u>	<u>86,684</u>	<u>84,359</u>	<u>-</u>	<u>-</u>
Joint venture													
	Zamil Mermaid Offshore Services Co. (LLC)	Inspection, installation, repair and maintenance services for Offshore Oil and Gas industry	Saudi Arabia	40.00	40.00	SAR 2 million	SAR 2 million	213	213	2,007	1,965	-	-
								<u>213</u>	<u>213</u>	<u>2,007</u>	<u>1,965</u>	<u>-</u>	<u>-</u>
Total								<u>97,795</u>	<u>97,795</u>	<u>88,691</u>	<u>86,324</u>	<u>-</u>	<u>-</u>

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity		Dividend income for the six-month periods ended	
			30	31	30	31	30	31	30	31	30	30
			June	December	June	December	June	December	June	December	June	June
			2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
			(%)							(in thousand Baht)		
Indirect associates												
Asia Offshore												
Drilling Limited ^(A)	Drilling services	Bermuda	33.76	33.76	USD 60 million	USD 60 million	3,315,973	3,496,431	2,945,644	3,022,642	-	-
							<u>3,315,973</u>	<u>3,496,431</u>	<u>2,945,644</u>	<u>3,022,642</u>	<u>-</u>	<u>-</u>
Joint venture												
Zamil Mermaid Offshore Services Co. (LLC)	Inspection, installation, repair and maintenance services for Offshore Oil and Gas industry	Saudi Arabia	40.00	40.00	SAR 2 million	SAR 2 million	7,238	7,632	68,201	70,407	-	-
							<u>7,238</u>	<u>7,632</u>	<u>68,201</u>	<u>70,407</u>	<u>-</u>	<u>-</u>
Total							<u>3,323,211</u>	<u>3,504,063</u>	<u>3,013,845</u>	<u>3,093,049</u>	<u>-</u>	<u>-</u>

^(A) Asia Offshore Drilling Limited 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 interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

6 Investments in subsidiaries

<i>Six-month period ended 30 June</i>	Separate financial statements			
	2017 <i>(in thousand US Dollar)</i>	2016 <i>(in thousand US Dollar)</i>	2017 <i>(in thousand Baht)</i>	2016 <i>(in thousand Baht)</i>
At 1 January	192,319	122,177	6,890,924	4,409,197
Increase	3,658	-	124,304	-
Reclassified from allowance for doubtful debts	(3,658)	-	(124,304)	-
Translation adjustments	-	-	(355,655)	(110,986)
At 30 June	192,319	122,177	6,535,269	4,298,211

Except for the debt forgiveness as mentioned in Note 3, during the six-month period ended 30 June 2017 there were no acquisitions of investments in subsidiaries.

On 21 February 2017, Seascope Surveys (Thailand) Ltd. (“SST”), an indirect subsidiary of the Company, was liquidated. As a result, US Dollar 0.1 million representing gain on derecognition of assets and liabilities of SST was recognised in other income. Items in other comprehensive income that are not reclassified to profit or loss of US Dollar 0.3 million were recognised directly in equity.

On 4 April 2017, Mermaid Subsea Services (Thailand) Ltd. (“MSST”), a direct subsidiary of the Company, registered to decrease its share capital by Baht 3,250.0 million (equivalent to US Dollar 94.7 million) with the Department of Business Development (“DBD”). As a result, the share capital of MSST decreased from Baht 5,380.0 million (equivalent to US Dollar 153.5 million) to Baht 2,130.0 million (equivalent to US Dollar 58.8 million). MSST set-off its decrease in share capital against its accumulated losses on 4 April 2017.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Investments in subsidiaries as at 30 June 2017 and 31 December 2016, and dividend income from those investments for the six-month periods ended 30 June 2017 and 2016 were as follows:

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost – net		Dividend income for the six-month period ended	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	30 June 2016
<i>(in thousand US Dollar)</i>										
Direct subsidiaries										
Mermaid Subsea Services (Thailand) Ltd.	THB 2,130 million	THB 5,380 million	153,485	153,485	-	-	153,485	153,485	-	-
Mermaid Drilling Ltd.	THB 410 million	THB 410 million	14,074	14,074	(10,600)	(10,600)	3,474	3,474	-	-
Mermaid Drilling (Singapore) Pte. Ltd.	USD 51 million	USD 51 million	51,000	51,000	(15,640)	(15,640)	35,360	35,360	-	-
MTR - 3 (Singapore) Pte. Ltd.	USD 22 million	USD 22 million	23,844	22,000	(23,844)	(22,000)	-	-	-	-
MTR - 4 (Singapore) Pte. Ltd.	USD 22 million	USD 22 million	23,814	22,000	(23,814)	(22,000)	-	-	-	-
Mermaid Maritime Mauritius Ltd.	USD 1	USD 1	-	-	-	-	-	-	-	-
Total			266,217	262,559	(73,898)	(70,240)	192,319	192,319	-	-

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost – net		Dividend income for the six-month period ended	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	30 June 2016
Indirect subsidiaries										
Seascope Surveys (Thailand) Ltd.	-	THB 34 million	-	840	-	(807)	-	33	-	-
Seascope Surveys Pte. Ltd.	SGD 100	SGD 100	14,268	14,268	(10,263)	(10,263)	4,005	4,005	-	-
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	(5,705)	(5,705)	2,629	2,629	-	-
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	-	-
Mermaid International Ventures	USD 100	USD 100	-	-	-	-	-	-	-	-
Mermaid Subsea Services (International) Ltd.	USD 1	USD 1	7,586	7,586	-	-	7,586	7,586	-	-
Mermaid Subsea Services Saudi Arabia Co., Ltd. (formerly 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			57,688	58,528	(42,787)	(43,594)	14,901	14,934	-	-

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost – net		Dividend income for the six-month period ended	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	30 June 2016
Direct subsidiaries										
Mermaid Subsea Services (Thailand) Ltd.	THB 2,130 million	THB 5,380 million	5,215,636	5,499,474	-	-	5,215,636	5,499,474	-	-
Mermaid Drilling Ltd.	THB 410 million	THB 410 million	478,254	504,281	(360,203)	(379,805)	118,051	124,476	-	-
Mermaid Drilling (Singapore) Pte. Ltd.	USD 51 million	USD 51 million	1,733,051	1,827,366	(531,469)	(560,392)	1,201,582	1,266,974	-	-
MTR - 3 (Singapore) Pte. Ltd.	USD 22 million	USD 22 million	810,253	788,275	(810,253)	(788,275)	-	-	-	-
MTR - 4 (Singapore) Pte. Ltd.	USD 22 million	USD 22 million	809,233	788,275	(809,233)	(788,275)	-	-	-	-
Mermaid Maritime Mauritius Ltd.	USD 1	USD 1	-	-	-	-	-	-	-	-
Total			<u>9,046,427</u>	<u>9,407,671</u>	<u>(2,511,158)</u>	<u>(2,516,747)</u>	<u>6,535,269</u>	<u>6,890,924</u>	<u>-</u>	<u>-</u>

(in thousand Baht)

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost – net		Dividend income for the six-month period ended	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	30 June 2016
Indirect subsidiaries										
Seascope Surveys (Thailand) Ltd.	-	THB 34 million	-	30,098	-	(28,915)	-	1,183	-	-
Seascope Surveys Pte. Ltd.	SGD 100	SGD 100	484,847	511,232	(348,751)	(367,730)	136,096	143,502	-	-
PT Seascope Surveys Indonesia	IDR 7,328 million	IDR 7,328 million	6,796	7,166	-	-	6,796	7,166	-	-
Mermaid Offshore Services Pte. Ltd.	USD 20,400 thousand	USD 20,400 thousand	693,221	730,946	(693,221)	(730,946)	-	-	-	-
MTR - 1 Ltd.	THB 240 million	THB 240 million	212,554	224,121	(212,554)	(224,121)	-	-	-	-
MTR - 2 Ltd.	THB 350 million	THB 350 million	283,201	298,613	(193,864)	(204,414)	89,337	94,199	-	-
Mermaid Drilling (Malaysia) Sdn. Bhd.	MYR 500 thousand	MYR 500 thousand	5,573	5,876	(5,573)	(5,876)	-	-	-	-
MTR - 1 (Singapore) Pte. Ltd.	USD 40 thousand	USD 40 thousand	1,359	1,433	-	-	1,359	1,433	-	-
Mermaid International Ventures	USD 100	USD 100	3	3	-	-	3	3	-	-
Mermaid Subsea Services (International) Ltd.	USD 1	USD 1	257,783	271,812	-	-	257,783	271,812	-	-
Mermaid Subsea Services Saudi Arabia Co., Ltd. (formerly Subtech Saudi Arabia Limited)	SAR 500 thousand	SAR 500 thousand	13,117	13,831	-	-	13,117	13,831	-	-
Mermaid Subsea Services LLC	QAR 200 thousand	QAR 200 thousand	1,869	1,971	-	-	1,869	1,971	-	-
Total			<u>1,960,323</u>	<u>2,097,102</u>	<u>(1,453,963)</u>	<u>(1,562,002)</u>	<u>506,360</u>	<u>535,100</u>	<u>-</u>	<u>-</u>

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

7 Property, plant and equipment

7.1) Acquisitions and disposals of property, plant and equipment during the six-month period ended 30 June 2017 were as follows:

	Consolidated financial statements		Separate financial statements	
	<i>(in thousand US Dollar)</i>	<i>(in thousand Baht)</i>	<i>(in thousand US Dollar)</i>	<i>(in thousand Baht)</i>
Net book value				
At 1 January 2017	198,192	7,101,357	142	5,088
Additions	1,416	48,118	20	680
Disposals	(10)	(340)	-	-
Depreciation	(9,975)	(346,406)	(27)	(936)
Translation adjustments	-	(359,074)	-	(245)
At 30 June 2017	189,623	6,443,655	135	4,587

7.2) As at 30 June 2017, the Group's property, plant and equipment with a net book value of US Dollar 131.7 million (31 December 2016: US Dollar 136.2 million) were registered to secure short-term and long-term borrowings.

8 Short-term borrowings

Movements during the six-month periods ended 30 June 2017 and 2016 were as follows:

	Consolidated financial statements			
	2017	2016	2017	2016
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
At 1 January	-	3,613	-	130,388
Repayments	-	(3,613)	-	(127,106)
Translation adjustments	-	-	-	(3,282)
At 30 June	-	-	-	-

Short-term borrowings for working capital were granted by a local commercial bank in Qatar. The borrowings bear interest at a fixed rate, were denominated in Qatari Riyal, and are guaranteed by another subsidiary within the Group.

9 Long-term borrowings

	Consolidated financial statements			
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current portion	11,890	9,890	404,039	354,366
Long-term portion	73,670	79,615	2,503,410	2,852,661
Total	85,560	89,505	2,907,449	3,207,027

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Movements during the six-month periods ended 30 June 2017 and 2016 were as follows:

	Consolidated financial statements			
	2017 <i>(in thousand US Dollar)</i>	2016 <i>(in thousand US Dollar)</i>	2017 <i>(in thousand Baht)</i>	2016 <i>(in thousand Baht)</i>
At 1 January	89,505	103,770	3,207,027	3,744,914
Repayments	(4,000)	(5,500)	(135,926)	(193,491)
Amortisation to profit and loss (front end fee)	55	55	1,909	1,952
Translation adjustments	-	-	(165,561)	(94,282)
At 30 June	85,560	98,325	2,907,449	3,459,093

Long-term borrowings 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 86.0 million as at 30 June 2017 (31 December 2016: US Dollar 90.0 million) with repayment terms within 8 to 10 years. These borrowings bear interest at the rate of USD-LIBOR plus a certain margin, are secured by mortgages of support vessels as mentioned in Note 7 and are guaranteed by the Company.

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

10 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 interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Revenue and results, based on business segments, in the consolidated financial statements for the three-month and six-month periods ended 30 June 2017 and 2016 were as follows:

Consolidated financial statements						
For the three-month period ended 30 June 2017						
Subsea group	Drilling group	Holding	Total	Elimination	Group	
<i>(in thousand US Dollar)</i>						
Revenues from services	44,456	-	-	44,456	-	44,456
Operating profit (loss)	3,248	(176)	1,200	4,272	(1,000)	3,272
Share of profit of associates and joint venture	16	-	1,165	1,181	-	1,181
Finance costs	(896)	-	-	(896)	-	(896)
Tax income	60	-	-	60	-	60
Profit (loss) for the period	2,428	(176)	2,365	4,617	(1,000)	3,617

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Consolidated financial statements
For the three-month period ended 30 June 2016

	Subsea group	Drilling group	Holding	Total	Elimination	Group
			<i>(in thousand US Dollar)</i>			
Revenues from services	49,630	-	-	49,630	-	49,630
Operating profit (loss)	5,160	463	(209)	5,414	(247)	5,167
Share of profit of associates and joint venture	651	-	2,832	3,483	-	3,483
Finance costs	(987)	-	(133)	(1,120)	246	(874)
Tax (expense) income	6	-	(11)	(5)	-	(5)
Profit for the period	4,830	463	2,479	7,772	(1)	7,771

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Consolidated financial statements
For the three-month period ended 30 June 2017

	Subsea group	Drilling group	Holding	Total	Elimination	Group
	<i>(in thousand Baht)</i>					
Revenues from services	1,524,899	-	-	1,524,899	-	1,524,899
Operating profit (loss)	111,411	(6,037)	41,161	146,535	(34,301)	112,234
Share of profit of associates and joint venture	549	-	39,961	40,510	-	40,510
Finance costs	(30,734)	-	-	(30,734)	-	(30,734)
Tax income	2,058	-	-	2,058	-	2,058
Profit (loss) for the period	83,284	(6,037)	81,122	158,369	(34,301)	124,068

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Consolidated financial statements
For the three-month period ended 30 June 2016

	Subsea group	Drilling group	Holding	Total	Elimination	Group
	<i>(in thousand Baht)</i>					
Revenues from services	1,751,021	-	-	1,751,021	-	1,751,021
Operating profit (loss)	182,053	16,335	(7,374)	191,014	(8,715)	182,299
Share of profit of associates and joint venture	22,969	-	99,917	122,886	-	122,886
Finance costs	(34,823)	-	(4,692)	(39,515)	8,679	(30,836)
Tax (expense) income	212	-	(388)	(176)	-	(176)
Profit for the period	170,411	16,335	87,463	274,209	(36)	274,173

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Consolidated financial statements						
For the six-month period ended 30 June 2017						
Subsea group	Drilling group	Holding	Total	Elimination	Group	
<i>(in thousand US Dollar)</i>						
Revenues from services	80,995	-	-	80,995	-	80,995
Operating profit (loss)	1,530	(333)	3,503	4,700	(938)	3,762
Share of profit of associates and joint venture	42	-	2,325	2,367	-	2,367
Finance costs	(1,768)	-	-	(1,768)	-	(1,768)
Tax income	1	-	-	1	-	1
Profit (loss) for the period	(195)	(333)	5,828	5,300	(938)	4,362
Segment assets as at 30 June 2017	332,231	38,785	448,912	819,928	(356,733)	463,195
Segment liabilities as at 30 June 2017	229,488	1,137	48,294	278,919	(158,189)	120,730

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Consolidated financial statements						
For the six-month period ended 30 June 2016						
Subsea group	Drilling group	Holding	Total	Elimination	Group	
		<i>(in thousand US Dollar)</i>				
Revenues from services	89,243	-	-	89,243	-	89,243
Operating profit (loss)	(271)	(123)	2,966	2,572	(422)	2,150
Share of profit of associates and joint venture	749	-	6,985	7,734	-	7,734
Finance costs	(2,011)	-	(133)	(2,144)	421	(1,723)
Tax income	113	1	734	848	-	848
Profit (loss) for the period	(1,420)	(122)	10,552	9,010	(1)	9,009
Segment assets as at 31 December 2016	341,696	38,982	442,364	823,042	(350,957)	472,085
Segment liabilities as at 31 December 2016	238,227	4,656	47,964	290,847	(157,009)	133,838

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

Consolidated financial statements						
For the six-month period ended 30 June 2017						
Subsea group	Drilling group	Holding	Total	Elimination	Group	
		<i>(in thousand Baht)</i>				
Revenues from services	2,807,970	-	-	2,807,970	-	2,807,970
Operating profit (loss)	51,083	(11,550)	122,031	161,564	(32,124)	129,440
Share of profit of associates and joint venture	1,462	-	80,695	82,157	-	82,157
Finance costs	(61,354)	-	-	(61,354)	-	(61,354)
Tax expense	(14)	-	-	(14)	-	(14)
Profit (loss) for the period	(8,823)	(11,550)	202,726	182,353	(32,124)	150,229
Segment assets as at 30 June 2017	11,289,675	1,317,969	15,254,659	27,862,303	(12,122,287)	15,740,016
Segment liabilities as at 30 June 2017	7,798,325	38,637	1,641,098	9,478,060	(5,375,484)	4,102,576

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

	Consolidated financial statements					
	For the six-month period ended 30 June 2016					
	Subsea group	Drilling group	Holding	Total	Elimination	Group
	<i>(in thousand Baht)</i>					
Revenues from services	3,163,918	-	-	3,163,918	-	3,163,918
Operating profit (loss)	(11,656)	(4,566)	105,870	89,648	(14,957)	74,691
Share of profit of associates and joint venture	26,464	-	248,044	274,508	-	274,508
Finance costs	(71,348)	-	(4,692)	(76,040)	14,921	(61,119)
Tax income	4,028	36	26,184	30,248	-	30,248
Profit (loss) for the period	(52,512)	(4,530)	375,406	318,364	(36)	318,328
Segment assets as at 31 December 2016	12,243,204	1,396,752	15,850,212	29,490,168	(12,575,035)	16,915,133
Segment liabilities as at 31 December 2016	8,535,838	166,828	1,718,584	10,421,250	(5,625,742)	4,795,508

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

11 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the three-month and six-month periods ended 30 June 2017 and 2016 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements			
	2017 <i>(in thousand US Dollar/ thousand shares)</i>	2016 <i>(in thousand US Dollar/ thousand shares)</i>	2017 <i>(in thousand Baht/ thousand shares)</i>	2016 <i>(in thousand Baht/ thousand shares)</i>
Profit attributable to ordinary shareholders of the Company (basic)	<u>3,618</u>	<u>7,744</u>	<u>124,102</u>	<u>273,220</u>
Number of ordinary shares outstanding (basic)	<u>1,413,329</u> <i>(in US Dollar)</i>	<u>1,413,329</u> <i>(in US Dollar)</i>	<u>1,413,329</u> <i>(in Baht)</i>	<u>1,413,329</u> <i>(in Baht)</i>
Earnings per share (basic)	<u>0.0026</u>	<u>0.0055</u>	<u>0.0878</u>	<u>0.1933</u>
<i>Six-month period ended 30 June</i>	Consolidated financial statements			
	2017 <i>(in thousand US Dollar/ thousand shares)</i>	2016 <i>(in thousand US Dollar/ thousand shares)</i>	2017 <i>(in thousand Baht/ thousand shares)</i>	2016 <i>(in thousand Baht/ thousand shares)</i>
Profit attributable to ordinary shareholders of the Company (basic)	<u>4,353</u>	<u>9,011</u>	<u>149,912</u>	<u>318,409</u>
Number of ordinary shares outstanding (basic)	<u>1,413,329</u> <i>(in US Dollar)</i>	<u>1,413,329</u> <i>(in US Dollar)</i>	<u>1,413,329</u> <i>(in Baht)</i>	<u>1,413,329</u> <i>(in Baht)</i>
Earnings per share (basic)	<u>0.0031</u>	<u>0.0064</u>	<u>0.1061</u>	<u>0.2253</u>
<i>Three-month period ended 30 June</i>	Separate financial statements			
	2017 <i>(in thousand US Dollar/ thousand shares)</i>	2016 <i>(in thousand US Dollar/ thousand shares)</i>	2017 <i>(in thousand Baht/ thousand shares)</i>	2016 <i>(in thousand Baht/ thousand shares)</i>
Profit attributable to ordinary shareholders of the Company (basic)	<u>2,646</u>	<u>1,486</u>	<u>90,761</u>	<u>52,429</u>
Number of ordinary shares outstanding (basic)	<u>1,413,329</u> <i>(in US Dollar)</i>	<u>1,413,329</u> <i>(in US Dollar)</i>	<u>1,413,329</u> <i>(in Baht)</i>	<u>1,413,329</u> <i>(in Baht)</i>
Earnings per share (basic)	<u>0.0019</u>	<u>0.0011</u>	<u>0.0642</u>	<u>0.0371</u>

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

<i>Six-month period ended 30 June</i>	Separate financial statements			
	2017 <i>(in thousand US Dollar/ thousand shares)</i>	2016 <i>(in thousand US Dollar/ thousand shares)</i>	2017 <i>(in thousand Baht/ thousand shares)</i>	2016 <i>(in thousand Baht/ thousand shares)</i>
Profit attributable to ordinary shareholders of the Company (basic)	8,614	7,688	300,328	273,639
Number of ordinary shares outstanding (basic)	1,413,329	1,413,329	1,413,329	1,413,329
Earnings per share (basic)	0.0061	0.0054	0.2125	0.1936

12 Financial instruments

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value due to their relatively short-term maturity.

	Consolidated financial statements			
	30 June 2017		31 December 2016	
	Carrying amount	Fair value <i>(in thousand US Dollar)</i>	Carrying amount	Fair value
Financial liabilities not measured at fair value				
Long-term borrowings	(85,560)	(77,099)	(89,505)	(78,787)

	Consolidated financial statements			
	30 June 2017		31 December 2016	
	Carrying amount	Fair value <i>(in thousand Baht)</i>	Carrying amount	Fair value
Financial liabilities not measured at fair value				
Long-term borrowings	(2,907,449)	(2,619,917)	(3,207,027)	(2,823,008)

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

13 Guarantees

As at 30 June 2017 and 31 December 2016, the Group and the Company had outstanding guarantees as follows:

	Consolidated financial statements					
	30 June 2017			31 December 2016		
	thousand Baht	thousand USD	thousand QAR	thousand Baht	thousand USD	thousand QAR
Letters of guarantee issued by financial institutions in the normal course of business	19,990	15,144	-	15,600	16,450	1,575
Guarantee for long-term borrowings of subsidiary to financial institutions	-	86,000	-	-	90,000	-

	Separate financial statements			
	30 June 2017		31 December 2016	
	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 borrowings of subsidiaries to financial institutions	-	86,000	-	90,000

14 Commitments with non-related parties

(a) *Capital commitments*

	Consolidated financial statements			
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Purchasing of diving equipment	263	481	8,937	17,235
Total	263	481	8,937	17,235

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2017 (Unaudited)

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

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

	Consolidated financial statements			
	30 June 2017 <i>(in thousand US Dollar)</i>	31 December 2016	30 June 2017 <i>(in thousand Baht)</i>	31 December 2016
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	3,847	12,026	130,726	430,900
After one year but within five years	1,555	1,575	52,841	56,433
After five years	927	1,110	31,501	39,772
Total	<u>6,329</u>	<u>14,711</u>	<u>215,068</u>	<u>527,105</u>

(c) *Other commitments*

As at 30 June 2017, the Group had commitments on procurement commission of a new drilling unit of US Dollar 2.0 million (31 December 2016: US Dollar 2.0 million).

15 The compensation of accumulated loss

Pursuant to Section 119 of the Public Companies Act B.E. 2535, the Company may transfer the reserve fund under Section 51 (share premium reserve) or Section 116 (legal reserve) or other reserve funds to compensate for the accumulated losses of the Company. The compensation for the accumulated losses shall be deducted from the reserves before it shall be deducted from the reserve fund under Section 116 and from the reserve fund under Section 51 respectively.

At the annual general meeting of the Company held on 26 April 2016, the shareholders approved to fully offset the Company's deficit of US Dollar 83.5 million as at 31 December 2015 with the legal reserve of US Dollar 4.5 million (Baht 141.7 million) and share premium of US Dollar 79.0 million (Baht 1,286.9 million).