

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

Interim financial statements
for the three-month and nine-month periods ended
30 September 2018
and
Independent Auditor's report on review of
interim financial information



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Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Mermaid Maritime Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Mermaid Maritime Public Company Limited and its subsidiaries, and of Mermaid Maritime Public Company Limited, respectively, as at 30 September 2018; the consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2018; the consolidated and separate statements of changes in equity and cash flows for the nine-month period ended 30 September 2018; 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".

(Banthit Tangpakorn)
Certified Public Accountant
Registration No. 8509

KPMG Phoomchai Audit Ltd.
Bangkok
8 November 2018

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

Consolidated financial statements					
Assets	<i>Note</i>	30 September	31 December	30 September	31 December
		2018	2017	2018	2017
		(Unaudited)		(Unaudited)	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Current assets					
Cash and cash equivalents		31,601	68,692	1,024,081	2,244,916
Current investments	4	17,940	-	581,374	-
Trade accounts receivable	3, 5	52,128	62,147	1,689,291	2,031,020
Other accounts receivable	3	12,983	9,037	420,735	295,337
Supplies and spare parts		1,412	1,928	45,758	63,009
Total current assets		116,064	141,804	3,761,239	4,634,282
Non-current assets					
Restricted deposit at financial institutions		15,081	12,802	488,724	418,381
Investment in associates	6	117,520	88,927	3,808,424	2,906,214
Investment in joint venture	6	2,100	2,047	68,054	66,898
Investment properties		600	541	19,444	17,680
Property, plant and equipment	8	173,444	182,872	5,620,730	5,976,422
Goodwill		2,066	2,066	66,952	67,519
Intangible assets		137	122	4,440	3,987
Advance payment for investment	6	-	17,275	-	564,563
Deferred tax assets		2,350	2,470	76,156	80,722
Other non-current assets		192	202	6,222	6,602
Total non-current assets		313,490	309,324	10,159,146	10,108,988
Total assets		429,554	451,128	13,920,385	14,743,270

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>	30 September	31 December	30 September	31 December
		2018	2017	2018	2017
		(Unaudited)		(Unaudited)	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current liabilities</i>					
Trade accounts payable		7,268	4,792	235,531	156,607
Other accounts payable	3	22,291	22,079	722,375	721,561
Current portion of long-term borrowings	9	13,890	11,890	450,128	388,576
Current portion of finance lease liabilities		47	47	1,523	1,536
Current income tax payable		375	75	12,152	2,451
Total current liabilities		43,871	38,883	1,421,709	1,270,731
<i>Non-current liabilities</i>					
Long-term borrowings	9	56,808	67,725	1,840,954	2,213,314
Finance lease liabilities		92	92	2,981	3,007
Provisions for employee benefits		2,340	2,244	75,831	73,336
Total non-current liabilities		59,240	70,061	1,919,766	2,289,657
Total liabilities		103,111	108,944	3,341,475	3,560,388

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>	30 September 2018 (Unaudited) <i>(in thousand US Dollar)</i>	31 December 2017	30 September 2018 (Unaudited) <i>(in thousand Baht)</i>	31 December 2017
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		(61,833)	(46,052)	(3,882,177)	(3,378,846)
Other components of equity		(2,197)	(2,199)	793,187	895,048
Equity attributable to owners of the parent		326,828	342,607	10,596,017	11,201,209
Non-controlling interests		(385)	(423)	(17,107)	(18,327)
Total equity		326,443	342,184	10,578,910	11,182,882
Total liabilities and equity		429,554	451,128	13,920,385	14,743,270

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			
		30 September	31 December	30 September	31 December
Assets	<i>Note</i>	2018	2017	2018	2017
		(Unaudited)		(Unaudited)	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current assets</i>					
Cash and cash equivalents		2,575	25,370	83,447	829,114
Other accounts receivable	3	141,014	140,714	4,569,784	4,598,660
Short-term loans to related parties	3	16,802	62	544,496	2,026
Total current assets		160,391	166,146	5,197,727	5,429,800
<i>Non-current assets</i>					
Restricted deposit at financial institutions		4,375	4,375	141,779	142,979
Investment in associate	6	22,507	-	729,375	-
Investment in joint venture	6	213	213	6,903	6,961
Investments in subsidiaries	7	156,959	156,959	5,086,508	5,129,561
Investment properties		2,060	1,914	66,758	62,551
Long-term loan to related party	3	55,976	55,506	1,813,992	1,813,986
Property, plant and equipment	8	162	204	5,250	6,667
Intangible assets		24	42	778	1,373
Advance payment for investment	6	-	17,275	-	564,563
Deferred tax assets		17	17	551	556
Other non-current assets		21	48	681	1,569
Total non-current assets		242,314	236,553	7,852,575	7,730,766
Total assets		402,705	402,699	13,050,302	13,160,566

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 September 2018 (Unaudited) <i>(in thousand US Dollar)</i>	31 December 2017	30 September 2018 (Unaudited) <i>(in thousand Baht)</i>	31 December 2017
Liabilities and equity					
<i>Current liabilities</i>					
Other accounts payable	3	704	586	22,815	19,152
Total current liabilities		704	586	22,815	19,152
<i>Non-current liabilities</i>					
Provisions for employee benefits		100	87	3,241	2,843
Total non-current liabilities		100	87	3,241	2,843
Total liabilities		804	673	26,056	21,995
<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)		18,421	18,546	(852,003)	(849,219)
Other components of equity		28	28	430,999	542,540
Total equity		401,901	402,026	13,024,246	13,138,571
Total liabilities and equity		402,705	402,699	13,050,302	13,160,566

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 September		30 September	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Revenue					
Revenue from rendering of services	3	29,417	30,198	969,970	1,008,236
Interest income		198	229	6,529	7,646
Net gain on foreign exchange		58	124	1,912	4,140
Other income	3	380	95	12,530	3,171
Total revenue		30,053	30,646	990,941	1,023,193
Expenses					
Costs of rendering of services		27,184	27,501	896,341	918,190
Administrative expenses	3	5,376	5,596	177,263	186,836
Finance costs		988	917	32,577	30,616
Total expenses		33,548	34,014	1,106,181	1,135,642
Share of profit of associates and joint venture		1,830	1,123	60,340	37,494
Profit (loss) before income tax expense		(1,665)	(2,245)	(54,900)	(74,955)
Tax expense (income)		198	(167)	6,529	(5,576)
Loss for the period		(1,863)	(2,078)	(61,429)	(69,379)
Other comprehensive expense					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Translation adjustments		-	-	(248,654)	(209,889)
Other comprehensive expense for the period, net of tax		-	-	(248,654)	(209,889)
Total comprehensive expense for the period		(1,863)	(2,078)	(310,083)	(279,268)

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 September		30 September	
<i>Note</i>		2018	2017	2018	2017
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Profit (loss) attributable to:					
	Owners of parent	(1,876)	(2,038)	(61,858)	(68,043)
	Non-controlling interests	13	(40)	429	(1,336)
	Loss for the period	<u>(1,863)</u>	<u>(2,078)</u>	<u>(61,429)</u>	<u>(69,379)</u>
Total comprehensive income (expense)					
attributable to:					
	Owners of parent	(1,876)	(2,038)	(310,512)	(277,932)
	Non-controlling interests	13	(40)	429	(1,336)
	Total comprehensive expense for the period	<u>(1,863)</u>	<u>(2,078)</u>	<u>(310,083)</u>	<u>(279,268)</u>
Basic losses per share		<i>(in US Dollar)</i>		<i>(in Baht)</i>	
	Basic losses per share	<u>(0.0013)</u>	<u>(0.0014)</u>	<u>(0.0438)</u>	<u>(0.0481)</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)

Consolidated financial statements					
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Revenue					
Revenue from rendering of services	3	68,938	111,193	2,224,589	3,816,206
Interest income		482	549	15,541	18,746
Net gain on foreign exchange		258	727	8,069	25,156
Other income	3	2,596	1,502	82,452	52,535
Total revenue		72,274	113,971	2,330,651	3,912,643
Expenses					
Costs of rendering of services		74,202	94,991	2,388,609	3,259,351
Administrative expenses	3	16,601	17,669	533,655	605,685
Finance costs		2,917	2,685	93,799	91,970
Total expenses		93,720	115,345	3,016,063	3,957,006
Share of profit of associates and joint venture	6	6,139	3,490	197,382	119,651
Profit (loss) before income tax expense		(15,307)	2,116	(488,030)	75,288
Tax expense (income)		436	(168)	14,081	(5,562)
Profit (loss) for the period		(15,743)	2,284	(502,111)	80,850
Other comprehensive income (expense)					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements		2	(144)	64	(5,057)
Translation adjustments		-	-	(101,925)	(837,246)
Other comprehensive income (expense) for the period, net of tax		2	(144)	(101,861)	(842,303)
Total comprehensive income (expense) for the period		(15,741)	2,140	(603,972)	(761,453)

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					
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
<i>Note</i>	2018	2017	2018	2017	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Profit (loss) attributable to:					
Owners of parent	(15,781)	2,315	(503,331)	81,869	
Non-controlling interests	38	(31)	1,220	(1,019)	
Profit (loss) for the period	<u>(15,743)</u>	<u>2,284</u>	<u>(502,111)</u>	<u>80,850</u>	
Total comprehensive income (expense)					
attributable to:					
Owners of parent	(15,779)	2,171	(605,192)	(760,434)	
Non-controlling interests	38	(31)	1,220	(1,019)	
Total comprehensive income (expense)	<u>(15,741)</u>	<u>2,140</u>	<u>(603,972)</u>	<u>(761,453)</u>	
Basic earnings (losses) per share					
		<i>(in US Dollar)</i>		<i>(in Baht)</i>	
Basic earnings (losses) per share	<u>(0.0112)</u>	<u>0.0016</u>	<u>(0.3561)</u>	<u>0.0579</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 September		30 September		
Note		2018	2017	2018	2017	
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>		
Revenue						
	Management fee income	3	90	-	2,968	-
	Interest income	3	277	372	9,134	12,420
	Net gain on foreign exchange		3,943	3,011	130,013	100,530
	Other income	3	244	684	8,045	22,838
	Total revenue		4,554	4,067	150,160	135,788
Expenses						
	Administrative expenses	3	835	819	27,533	27,345
	Total expenses		835	819	27,533	27,345
	Profit before income tax expense		3,719	3,248	122,627	108,443
	Tax expense		-	-	-	-
	Profit for the period		3,719	3,248	122,627	108,443
Other comprehensive expense						
<i>Items that will be reclassified subsequently to profit or loss</i>						
	Translation adjustments		-	-	(304,966)	(242,425)
	Other comprehensive expense for the period, net of tax		-	-	(304,966)	(242,425)
	Total comprehensive income (expense) for the period		3,719	3,248	(182,339)	(133,982)
Basic earnings per share			<i>(in US Dollar)</i>		<i>(in Baht)</i>	
	Basic earnings per share	11	0.0026	0.0023	0.0868	0.0767

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

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

	Note	Separate financial statements			
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
		2018	2017	2018	2017
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Revenue					
Management fee income	3	270	-	8,679	-
Interest income	3	874	965	28,069	33,003
Net gain on foreign exchange		1,432	11,492	46,897	396,525
Other income	3	431	1,854	13,977	63,039
Total revenue		3,007	14,311	97,622	492,567
Expenses					
Administrative expenses	3	3,132	2,449	100,406	83,796
Total expenses		3,132	2,449	100,406	83,796
Profit (loss) before income tax expense		(125)	11,862	(2,784)	408,771
Tax expense		-	-	-	-
Profit (loss) for the period		(125)	11,862	(2,784)	408,771
Other comprehensive expense					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Translation adjustments		-	-	(111,541)	(965,268)
Other comprehensive expense for the period, net of tax		-	-	(111,541)	(965,268)
Total comprehensive income (expense) for the period		(125)	11,862	(114,325)	(556,497)
Basic earnings (losses) per share					
		<i>(in US Dollar)</i>		<i>(in Baht)</i>	
Basic earnings (losses) per share	11	<u>(0.0001)</u>	<u>0.0084</u>	<u>(0.0020)</u>	<u>0.2892</u>

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														
	Retained earnings/(Deficit)		Other components of equity				Total other components of equity				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	Equity attributable to owners of parent	Equity attributable to owners of parent	Equity attributable to owners of parent					
	<i>Note</i>														
<i>(in thousand US Dollar)</i>															
Nine-month period ended 30 September 2017															
Balance at 1 January 2017															
Transactions with owners, recorded directly in equity															
<i>Distributions to owners of the parent</i>															
Liquidation of a subsidiary															
	7	-	-	-	254	-	-	(254)	-	(254)	-	-	-	-	-
Total distributions to owners of the parent															
Total transactions with owners, recorded directly in equity															
Comprehensive income (expense) for the period															
Profit or loss															
Exchange differences on translating financial statements															
Total comprehensive income (expense) for the period															
Balance at 30 September 2017															
		47,322	343,536	-	(50,400)	1,337	28	(3,166)	(1,801)	338,657	(410)	338,247			
		-	-	-	2,315	-	-	-	-	2,315	(31)	2,284			
		-	-	-	-	(144)	-	-	(144)	(144)	-	(144)			
		-	-	-	2,315	(144)	-	-	(144)	2,171	(31)	2,140			
		47,322	343,536	-	(47,831)	1,193	28	(3,420)	(2,199)	340,828	(441)	340,387			

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											
	Issued and paid share capital	Share premium on ordinary shares	Retained earnings/(Deficit)			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	Total other components of equity				
	<i>Note</i>											
<i>(in thousand US Dollar)</i>												
Nine-month period ended 30 September 2018												
Balance at 1 January 2018	47,322	343,536	-	(46,052)	1,193	28	(3,420)	(2,199)	342,607	(423)	342,184	
Comprehensive income (expense)												
for the period												
Profit or loss	-	-	-	(15,781)	-	-	-	-	(15,781)	38	(15,743)	
Exchange differences on translating financial statements	-	-	-	-	2	-	-	2	2	-	2	
Total comprehensive income (expense) for the period	-	-	-	(15,781)	2	-	-	2	(15,779)	38	(15,741)	
Balance at 30 September 2018	47,322	343,536	-	(61,833)	1,195	28	(3,420)	(2,197)	326,828	(385)	326,443	

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										
	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			
Note	Share premium on ordinary shares	Legal reserve	Deficit	Translation of financial statements	Share-based payment	Changes in ownership interests	Total other components of equity	Equity attributable to owners of parent	Non-controlling interests	Total equity	
<i>(in thousand Baht)</i>											
Nine-month period ended 30 September 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	-	-	-	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 (expense) for the period											
Profit or loss	-	-	-	81,869	-	-	-	-	81,869	(1,019)	80,850
Exchange differences on translating financial statements											
Translation adjustments	-	-	-	-	(5,057)	-	-	(5,057)	(5,057)	-	(5,057)
Total comprehensive income (expense) for the period	-	-	-	81,869	(842,303)	-	-	(842,303)	(760,434)	(1,019)	(761,453)
Balance at 30 September 2017	1,413,329	12,271,678	-	(3,437,460)	1,249,834	874	(121,163)	1,129,545	11,377,092	(18,920)	11,358,172

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											
	Issued and paid share capital	Share premium on ordinary shares	Retained earnings/(Deficit)			Other components of equity				Non-controlling interests	Total equity	
			Legal reserve	Deficit	Translation of financial statements	Share-based payment	Changes in ownership interests	Total other components of equity	Equity attributable to owners of parent			
	<i>Note</i>											
<i>(in thousand Baht)</i>												
Nine-month period ended 30 September 2018												
Balance at 1 January 2018	1,413,329	12,271,678	-	(3,378,846)	1,015,337	874	(121,163)	895,048	11,201,209	(18,327)	11,182,882	
Comprehensive income (expense) for the period												
Profit or loss	-	-	-	(503,331)	-	-	-	-	(503,331)	1,220	(502,111)	
Exchange differences on translating financial statements	-	-	-	-	64	-	-	64	64	-	64	
Translation adjustments	-	-	-	-	(101,925)	-	-	(101,925)	(101,925)	-	(101,925)	
Total comprehensive income (expense) for the period	-	-	-	(503,331)	(101,861)	-	-	(101,861)	(605,192)	1,220	(603,972)	
Balance at 30 September 2018	1,413,329	12,271,678	-	(3,882,177)	913,476	874	(121,163)	793,187	10,596,017	(17,107)	10,578,910	

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						Total equity
	Issued and paid share capital	Share premium on ordinary shares	Differences arising from common control transactions	Retained earnings		Other components of equity	
				Legal reserve	Unappropriated		
<i>(in thousand US Dollar)</i>							
Nine-month period ended 30 September 2017							
Balance at 1 January 2017	47,322	343,536	(7,406)	-	3,277	28	386,757
Comprehensive income for the period	-	-	-	-	11,862	-	11,862
Profit	-	-	-	-	11,862	-	11,862
Total comprehensive income for the period	47,322	343,536	(7,406)	-	15,139	28	398,619
Balance at 30 September 2017							

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					Total equity	
	Issued and paid share capital	Share premium on ordinary shares	Differences arising from common control transactions	Retained earnings			Other components of equity
				Legal reserve	Unappropriated		
Nine-month period ended 30 September 2018							
Balance at 1 January 2018	47,322	343,536	(7,406)	-	18,546	28	
Comprehensive expense for the period	-	-	-	-	(125)	-	
Loss	-	-	-	-	(125)	-	
Total comprehensive expense for the period	-	-	-	-	(125)	-	
Balance at 30 September 2018	47,322	343,536	(7,406)	-	18,421	28	

(in thousand US Dollar)

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							Total equity	
	Retained earnings/(Deficit)		Other components of equity			Total other components of equity	Total equity		
	Issued and paid share capital	Share premium on ordinary shares	Differences arising from common control transactions	Legal reserve	Deficit				Translation of financial statements
Nine-month period ended 30 September 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	-	-	-	-	408,771	-	-	-	408,771
Translation adjustments	-	-	-	-	-	(965,268)	-	(965,268)	(965,268)
Total comprehensive income (expense) for the period	-	-	-	-	408,771	(965,268)	-	(965,268)	(556,497)
Balance at 30 September 2017	1,413,329	12,271,678	(239,757)	-	(961,473)	816,627	874	817,501	13,301,278

(in thousand Baht)

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						
	Retained earnings/(Deficit)			Other components of equity			
	Issued and paid share capital	Share premium on ordinary shares	Differences arising from common control transactions	Legal reserve	Translation of financial statements	Share-based payment	Total other components of equity
<i>(in thousand Baht)</i>							
Nine-month period ended 30 September 2018							
Balance at 1 January 2018	1,413,329	12,271,678	(239,757)	-	541,666	874	13,138,571
Comprehensive expense for the period							
Loss	-	-	-	-	-	-	(2,784)
Translation adjustments	-	-	-	-	(111,541)	-	(111,541)
Total comprehensive expense for the period	-	-	-	-	(2,784)	-	(114,325)
Balance at 30 September 2018	<u>1,413,329</u>	<u>12,271,678</u>	<u>(239,757)</u>	<u>-</u>	<u>430,125</u>	<u>874</u>	<u>13,024,246</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			
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
	2018	2017	2018	2017
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>				
Profit (loss) for the period	(15,743)	2,284	(502,111)	80,850
<i>Adjustments to reconcile profit (loss) to cash receipts</i>				
<i>(payments)</i>				
Tax expense (income)	436	(168)	14,081	(5,562)
Finance costs	2,917	2,685	93,799	91,970
Depreciation	13,127	14,737	422,037	505,450
Amortisation	77	1,632	2,474	55,924
Reversal of impairment losses on assets	(1,800)	-	(56,774)	-
Unrealised loss (gain) on exchange	317	(519)	9,836	(18,197)
Gain from revaluation of trading securities	(140)	-	(4,586)	-
Share of profit of associates and joint venture, net of tax	(6,139)	(3,490)	(197,382)	(119,651)
Bad and doubtful debts expenses	20	-	631	-
Losses on supplies and spare parts devaluation	277	-	8,841	-
Gains on disposals and write-offs of property, plant and equipment and intangible assets	(241)	(6)	(7,597)	(211)
Interest income	(482)	(549)	(15,541)	(18,746)
Gain from liquidation of a subsidiary	-	(145)	-	(5,092)
Provision for employee benefits	241	285	7,762	10,003
Reversal of provision for non-refundable withholding tax	-	(1,146)	-	(40,127)
Loss from write-off non-refundable withholding tax	867	1,922	27,966	65,620
	<u>(6,266)</u>	<u>17,522</u>	<u>(196,564)</u>	<u>602,231</u>
<i>Changes in operating assets and liabilities</i>				
Restricted deposit at financial institutions	(2,279)	(2,466)	(73,855)	(82,286)
Trade accounts receivable	10,019	(1,558)	324,681	(51,988)
Other accounts receivable	(3,750)	8,725	(121,525)	291,139
Supplies and spare parts	239	29	7,745	968
Other non-current assets	10	(1,273)	324	(42,478)
Trade accounts payable	2,481	(2,590)	80,401	(86,424)
Other accounts payable	(278)	(9,115)	(9,009)	(304,153)
Exchange rate losses from translating financial statements	2	1	64	35
Translation adjustments	-	-	(26,580)	(166,299)
Net cash generated from (used in) operating activities	<u>178</u>	<u>9,275</u>	<u>(14,318)</u>	<u>160,745</u>
Employee benefit paid	(144)	(780)	(4,596)	(26,617)
Taxes paid	(206)	(1,220)	(6,631)	(42,167)
Net cash from (used in) operating activities	<u>(172)</u>	<u>7,275</u>	<u>(25,545)</u>	<u>91,961</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			
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
	2018	2017	2018	2017
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Cash flows from investing activities</i>				
Increase in current investments	(17,800)	-	(576,836)	-
Proceeds from short-term deposit at financial institutions	-	27,950	-	932,647
Acquisition of investment in associate	(5,232)	-	(169,551)	-
Proceeds from sale of property, plant and equipment	4,044	38	131,052	1,268
Acquisition of property, plant and equipment and intangible assets	(6,227)	(1,834)	(201,796)	(61,198)
Interest received	446	578	14,453	19,287
Net cash from (used in) investing activities	(24,769)	26,732	(802,678)	892,004
<i>Cash flows from financing activities</i>				
Repayment of borrowings	(9,000)	(7,000)	(291,659)	(233,579)
Payment by a lessee for reduction of the outstanding liability relating to a finance lease	-	(18)	-	(601)
Finance costs paid	(2,834)	(2,599)	(91,122)	(89,040)
Net cash used in financing activities	(11,834)	(9,617)	(382,781)	(323,220)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	(36,775)	24,390	(1,211,004)	660,745
Effect of exchange rates changes on cash and cash equivalents	(316)	404	(9,831)	14,379
Net increase (decrease) in cash and cash equivalents	(37,091)	24,794	(1,220,835)	675,124
Cash and cash equivalents at beginning of period	68,692	61,817	2,244,916	2,214,946
Cash and cash equivalents at ending of period	31,601	86,611	1,024,081	2,890,070
<i>Non-cash transactions</i>				
Receivables for sales of property, plant and equipment	24	2	778	67
Payables for purchase of property, plant and equipment and intangible assets	550	224	17,824	7,475
Finance lease agreements for purchases of equipment	-	40	-	1,335
Transfer of advance payment for investment to investment in associates	17,275	-	559,824	-

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				
	Note	Nine-month period ended		Nine-month period ended	
		30 September		30 September	
		2018	2017	2018	2017
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>		
<i>Cash flows from operating activities</i>					
Profit (loss) for the period		(125)	11,862	(2,784)	408,771
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>					
(Reversal of) depreciation		(92)	253	(3,253)	8,667
Amortization		18	22	578	755
Reversal of impairment loss on investment in subsidiary	7	-	(595)	-	(19,866)
Unrealised gain on exchange		(1,423)	(11,587)	(46,605)	(399,795)
Reversal of bad and doubtful debts expenses		(67)	(929)	(2,209)	(31,824)
Provision for employee benefits		14	11	451	376
Interest income		(874)	(965)	(28,069)	(33,003)
		<u>(2,549)</u>	<u>(1,928)</u>	<u>(81,891)</u>	<u>(65,919)</u>
<i>Changes in operating assets and liabilities</i>					
Receivables from related parties		1,736	174	56,258	5,806
Other accounts receivable		(222)	(53)	(7,194)	(1,769)
Other non-current assets		28	(1,276)	907	(42,579)
Other accounts payable		117	(35,748)	3,791	(1,192,853)
Translation adjustments		-	-	(7,681)	(49,824)
Net cash used in operating activities		<u>(890)</u>	<u>(38,831)</u>	<u>(35,810)</u>	<u>(1,347,138)</u>
Taxes paid		(50)	(28)	(1,608)	(974)
Net cash used in operating activities		<u>(940)</u>	<u>(38,859)</u>	<u>(37,418)</u>	<u>(1,348,112)</u>
<i>Cash flows from investing activities</i>					
Acquisition of investment in associate		(5,232)	-	(169,551)	-
Proceeds from short-term deposit at financial institutions		-	27,950	-	932,647
Proceeds from liquidation of subsidiary		-	35,955	-	1,199,761
Increased in short-term loans to related party		(21,986)	-	(712,492)	-
Proceeds from repayment of short-term loans to related party		5,246	-	170,005	-
Acquisition of property, plant and equipment		(13)	(20)	(421)	(667)
Interest received		137	424	4,440	14,148
Net cash from (used in) investing activities		<u>(21,848)</u>	<u>64,309</u>	<u>(708,019)</u>	<u>2,145,889</u>
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates		(22,788)	25,450	(745,437)	797,777
Effects of exchange rate changes on cash and cash equivalents		(7)	28	(230)	976
Net increase (decrease) in cash and cash equivalents		<u>(22,795)</u>	<u>25,478</u>	<u>(745,667)</u>	<u>798,753</u>
Cash and cash equivalents at beginning of period		25,370	20,877	829,114	748,039
Cash and cash equivalents at ending of period		<u>2,575</u>	<u>46,355</u>	<u>83,447</u>	<u>1,546,792</u>
<i>Non-cash transactions</i>					
Debt forgiveness to subsidiaries	3	-	3,658	-	122,062
Transfer of advance payment for investment to investment in associate		17,275	-	559,824	-

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 nine-month periods ended 30 September 2018 (Unaudited)

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3	Related parties
4	Current investments
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7	Investments in subsidiaries
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Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (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 8 November 2018.

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 September 2018 and 31 December 2017 were as follows:

Name of the entities	Nature of business	Country of incorporation	Direct/Indirect holding (%)	
			30 September 2018	31 December 2017
<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 Pte. Ltd., which has one subsidiary as follows:	Subsea Service Provider, hydrographic survey and positioning to the Offshore Oil and Gas industry	Singapore	100.0	100.0
PT Seascope Surveys Indonesia ⁽¹⁾	”	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 Subsea Services (Malaysia) Sdn. Bhd. ⁽²⁾	”	Malaysia	45.0	-
Mermaid Drilling Ltd., which has four 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 nine-month periods ended 30 September 2018 (Unaudited)

Name of the entities	Nature of business	Country of incorporation	Direct/Indirect holding (%)	
			30 September 2018	31 December 2017
Mermaid Drilling (Singapore) Pte. Ltd. ⁽³⁾	Production and exploration drilling services	Singapore	-	-
MTR - 3 (Singapore) Pte. Ltd. ⁽⁴⁾	”	Singapore	-	-
MTR - 4 (Singapore) Pte. Ltd. ⁽⁴⁾	”	Singapore	-	-
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 ⁽²⁾	”	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>Associates</i>				
PTGC Co., Ltd.	Real estate	Cambodia	49.00	-
<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

- (1) Group interest is 95% after taking account of nominee holdings.
(2) Group interest is 100% after taking account of nominee holdings.
(3) Mermaid Drilling (Singapore) Pte. Ltd. was deregistered on 5 April 2018.
(4) MTR - 3 (Singapore) Pte. Ltd. and MTR - 4 (Singapore) Pte. Ltd. were deregistered on 5 February 2018.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

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 2017) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2017. 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 2017.

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 2017 except that the Group has adopted all the revised TFRS that are effective for annual periods beginning on or after 1 January 2018. The adoption of these 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.

In addition to the above revised TFRS, The FAP has issued those TFRS which are effective for annual financial reporting periods beginning on or after 1 January of the following years. The Group has not early adopted this standard in preparing these interim financial statements.

	TFRS	Topic	Effective
TFRS 7*		Financial Instruments: Disclosures	2020
TFRS 9*		Financial Instruments	2020
TFRS 15		Revenue from Contracts with Customers	2019
TAS 32*		Financial Instruments: Presentation	2020

* TFRS - Financial instruments standards

TFRS 15 Revenue from Contracts with Customers

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. Revenue should be recognized when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. It replaces existing revenue recognition standards as follows:

- TAS 11 (revised 2017) *Construction Contracts*,
- TAS 18 (revised 2017) *Revenue*,
- TSIC 31 (revised 2017) *Revenue-Barter Transactions Involving Advertising Services*,
- TFRIC 13 (revised 2017) *Customer Loyalty Programmes*,
- TFRIC 15 (revised 2017) *Agreements for the Construction of Real Estate*, and
- TFRIC 18 (revised 2017) *Transfers of Assets from Customers*.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS on the consolidated and separate financial statements.

(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 2017.

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:

- 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).

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

- 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

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

Transactions

Rendering of services
Management fee
Interest income and interest expenses
Rental income
Other income
Administrative expenses
Management benefit expenses

Pricing policies

Prices normally charged to a third party
Actual cost plus margin
Market linked rate / Borrowing costs of the lender
Actual cost plus margin
Actual cost plus margin
Actual cost plus margin
Amount approved by the directors and/or the Shareholders

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

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

<i>Three-month period ended 30 September</i>	Consolidated financial statements			
	2018 <i>(in thousand US Dollar)</i>	2017	2018 <i>(in thousand Baht)</i>	2017
Parent				
Rental income	13	13	429	434
Administrative expenses	16	13	528	434
Associates				
Other income	156	-	5,144	-
Joint venture				
Rendering of services	14,928	18,634	492,222	622,143
Other related parties				
Administrative expenses	24	-	791	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	306	266	10,090	8,881
Post-employment benefits	-	-	18	17
Total key management personnel compensation	306	266	10,108	8,898

<i>Nine-month period ended 30 September</i>	Consolidated financial statements			
	2018 <i>(in thousand US Dollar)</i>	2017	2018 <i>(in thousand Baht)</i>	2017
Parent				
Rental income	40	39	1,286	1,336
Administrative expenses	67	38	2,149	1,302
Associates				
Other income	156	-	5,144	-
Joint venture				
Rendering of services	41,697	51,639	1,341,382	1,767,330
Other related parties				
Administrative expenses	24	-	791	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	942	755	30,269	25,841
Post-employment benefits	-	-	54	51
Total key management personnel compensation	942	755	30,323	25,892

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<i>Three-month period ended 30 September</i>	Separate financial statements			
	2018 <i>(in thousand US Dollar)</i>	2017	2018 <i>(in thousand Baht)</i>	2017
Parent				
Rental income	13	13	429	434
Administrative expenses	16	13	528	434
Associates				
Other income	156	-	5,144	-
Subsidiaries				
Management fee income	90	-	2,968	-
Interest income	273	206	9,002	6,878
Rental income	58	56	1,912	1,870
Other income	18	1,614	594	53,887
Administrative expenses (reduction)	(65)	15	(2,143)	501
Other related parties				
Other administrative expenses	24	-	791	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	306	203	10,090	6,778
Post-employment benefits	-	-	18	17
Total key management personnel compensation	306	203	10,108	6,795
<i>Nine-month period ended 30 September</i>	Separate financial statements			
	2018 <i>(in thousand US Dollar)</i>	2017	2018 <i>(in thousand Baht)</i>	2017
Parent				
Rental income	40	39	1,286	1,336
Administrative expenses	67	38	2,149	1,302
Associates				
Other income	156	-	5,144	-
Subsidiaries				
Management fee income	270	-	8,679	-
Interest income	755	597	24,305	20,447
Rental income	177	166	5,687	5,687
Other income	56	1,649	1,799	55,101
Administrative expenses (reduction)	(61)	79	(2,015)	2,747
Other related parties				
Other administrative expenses	24	-	791	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	942	567	30,269	19,399
Post-employment benefits	-	-	54	51
Total key management personnel compensation	942	567	30,323	19,450

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Balances as at 30 September 2018 and 31 December 2017 with related parties were as follows:

	Consolidated financial statements			
	30 September 2018 <i>(in thousand US Dollar)</i>	31 December 2017	30 September 2018 <i>(in thousand Baht)</i>	31 December 2017
Trade accounts receivable from related parties				
Joint venture	23,362	45,119	757,083	1,474,530
Total	23,362	45,119	757,083	1,474,530
Other accounts receivable from related parties				
Parent	4	5	130	163
Total	4	5	130	163
Other accounts payable to related parties				
Parent	6	6	194	196
Total	6	6	194	196
Separate financial statements				
	30 September 2018 <i>(in thousand US Dollar)</i>	31 December 2017	30 September 2018 <i>(in thousand Baht)</i>	31 December 2017
Other accounts receivable from related parties				
Parent	4	5	130	163
Subsidiaries	59,014	59,731	1,912,443	1,952,063
Subsidiaries - transferred investments in associates under common control	82,923	82,227	2,687,252	2,687,252
	141,941	141,963	4,599,825	4,639,478
Less allowance for doubtful account	(1,292)	(1,359)	(41,869)	(44,413)
Net	140,649	140,604	4,557,956	4,595,065
(Reversal of) bad and doubtful debts expense for the:				
- Three-month period ended 30 September	(67)	9	(2,209)	300
- Nine-month period ended 30 September	(67)	(929)	(2,209)	(31,824)

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Other accounts receivable from transferred investment in associates under common control

On 26 September 2014, the Company agreed to transfer the investment in associates, Asia offshore Drilling Group, to a subsidiary, Mermaid International Ventures “MIV” at cost of US Dollar 97.6 million for consideration received of Baht 2,899.0 million or equivalent to US Dollar 90.2 million. As at 30 September 2018, the Company had outstanding amount due from MIV amounting to US Dollar 82.9 million or equivalent to Baht 2,687.3 million (2017: US Dollar 82.2 million or equivalent to Baht 2,687.3 million) as other accounts receivable from related parties in the separated financial statement.

Debt forgiveness to subsidiaries

During the nine-month period ended 30 September 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.

	Separate financial statements			
	30 September 2018 <i>(in thousand US Dollar)</i>	31 December 2017	30 September 2018 <i>(in thousand Baht)</i>	31 December 2017
<i>Short-term loans to related parties</i>				
Subsidiaries	16,802	62	544,496	2,026
Total	16,802	62	544,496	2,026

Movements during the nine-month periods ended 30 September 2018 and 2017 of short-term loans to related parties, excluding interest receivables from related parties, were as follows:

	Separate financial statements			
	2018 <i>(in thousand US Dollar)</i>	2017	2018 <i>(in thousand Baht)</i>	2017
<i>Subsidiaries</i>				
At 1 January	62	50,627	2,026	1,814,001
Increase	21,986	-	712,492	-
Decrease	(5,246)	-	(170,005)	-
Unrealised gains on exchange	-	3,736	-	128,905
Translation adjustments	-	-	(17)	(128,900)
At 30 September	16,802	54,363	544,496	1,814,006

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

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	Separate financial statements			
	30	31	30	31
	September 2018 <i>(in thousand US Dollar)</i>	December 2017	September 2018 <i>(in thousand Baht)</i>	December 2017
Long-term loans to related party				
Subsidiaries	55,976	55,506	1,813,992	1,813,986
Total	55,976	55,506	1,813,992	1,813,986

Movements during the nine-month periods ended 30 September 2018 and 2017 of long-term loans to related parties were as follows:

	Separate financial statements			
	2018	2017	2018	2017
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Subsidiaries				
At 1 January	55,506	-	1,813,986	-
Unrealised gain on exchange	470	-	15,390	-
Translation adjustments	-	-	(15,384)	-
At 30 September	55,976	-	1,813,992	-

During the year ended 31 December 2017, the Company entered into amendment to the secured loan agreement between the Company and a subsidiary. As described in amendment, the loans will be repaid in full on 31 December 2020 or such longer period as agreed by the Company. Accordingly, the Company classified short-term loans to related party of US Dollar 55.5 million to long-term loans to related party. All long-term loans to related party are unsecured.

	Separate financial statements			
	30	31	30	31
	September 2018 <i>(in thousand US Dollar)</i>	December 2017	September 2018 <i>(in thousand Baht)</i>	December 2017
Other accounts payable to related parties				
Parent	6	6	194	196
Subsidiaries	5	1	162	33
Total	11	7	356	229

4 Current investments

	Consolidated financial statements			
	30	31	30	31
	September 2018 <i>(in thousand US Dollar)</i>	December 2017	September 2018 <i>(in thousand Baht)</i>	December 2017
Current investments				
Equity securities held for trading	6,140	-	198,976	-
Other debt securities held to maturity	11,800	-	382,398	-
Total	17,940	-	581,374	-

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Movements during the nine-month periods ended 30 September of marketable equity and debt securities were as follows:

	Consolidated financial statements			
	2018 <i>(in thousand US Dollar)</i>	2017	2018 <i>(in thousand Baht)</i>	2017
Trading securities				
At 1 January	-	-	-	-
Purchases during the period	6,000	-	194,440	-
Valuation adjustment	140	-	4,616	-
Translation adjustments	-	-	(80)	-
At 30 September	6,140	-	198,976	-
Other debt securities held to maturity				
At 1 January	-	-	-	-
Purchases during the period	11,800	-	382,398	-
At 30 September	11,800	-	382,398	-

5 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements			
		30 September 2018 <i>(in thousand US Dollar)</i>	31 December 2017	30 September 2018 <i>(in thousand Baht)</i>	31 December 2017
Joint venture	3	23,362	45,119	757,083	1,474,530
Other parties		20,102	13,683	651,437	447,173
Retention receivables		3,022	1,592	97,933	52,028
Accrued income		6,227	2,338	201,796	76,407
Total		52,713	62,732	1,708,249	2,050,138
Less allowance for doubtful accounts		(585)	(585)	(18,958)	(19,118)
Net		52,128	62,147	1,689,291	2,031,020
Bad and doubtful debts expense for the:					
three-month period ended 30 September		-	-	-	-
nine-month period ended 30 September		20	-	631	-

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Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements			
	30	31	30	31
	September 2018 <i>(in thousand US Dollar)</i>	December 2017 <i>(in thousand US Dollar)</i>	September 2018 <i>(in thousand Baht)</i>	December 2017 <i>(in thousand Baht)</i>
Within credit terms	25,358	20,632	821,767	674,272
Overdue:				
Less than 3 months	10,854	23,238	351,741	759,439
3-6 months	838	14,768	27,157	482,632
6-12 months	11,184	889	362,435	29,053
Over 12 months	1,457	1,613	47,216	52,714
	49,691	61,140	1,610,316	1,998,110
Less allowance for doubtful accounts	(585)	(585)	(18,958)	(19,118)
Net	49,106	60,555	1,591,358	1,978,992
Retention receivables	3,022	1,592	97,933	52,028
Total	52,128	62,147	1,689,291	2,031,020

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

6 Investments in associates and joint venture

	Consolidated financial statements			
	2018 <i>(in thousand US Dollar)</i>	2017 <i>(in thousand US Dollar)</i>	2018 <i>(in thousand Baht)</i>	2017 <i>(in thousand Baht)</i>
Nine-month period ended 30 September				
Associates				
At 1 January	88,927	84,359	2,906,214	3,022,642
Increase during the period	5,232	-	169,551	-
Transfer from advance payment for investment	17,275	-	559,824	-
Share of profits of associates	6,086	3,432	195,673	117,655
Translation adjustments	-	-	(22,838)	(210,852)
At 30 September	117,520	87,791	3,808,424	2,929,445
Joint venture				
At 1 January	2,047	1,965	66,898	70,407
Share of profit of joint venture	53	58	1,709	1,996
Translation adjustments	-	-	(553)	(4,899)
At 30 September	2,100	2,023	68,054	67,504
Total				
At 1 January	90,974	86,324	2,973,112	3,093,049
Increase during the period	5,232	-	169,551	-
Transfer from advance payment for investment	17,275	-	559,824	-
Share of net profits of associates and joint venture	6,139	3,490	197,382	119,651
Translation adjustments	-	-	(23,391)	(215,751)
At 30 September	119,620	89,814	3,876,478	2,996,949

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<i>Nine-month period ended 30 September</i>	Separate financial statements			
	2018 <i>(in thousand US Dollar)</i>	2017	2018 <i>(in thousand Baht)</i>	2017
Associate				
At 1 January	-	-	-	-
Increase during the period	5,232	-	169,551	-
Transfer from advance payment for investment	17,275	-	559,824	-
At 30 September	22,507	-	729,375	-
Joint venture				
At 1 January	213	213	6,961	7,632
Translation adjustments	-	-	(58)	(525)
At 30 September	213	213	6,903	7,107
Total				
At 1 January	213	213	6,961	7,632
Increase during the period	5,232	-	169,551	-
Transfer from advance payment for investment	17,275	-	559,824	-
Translation adjustments	-	-	(58)	(525)
At 30 September	22,720	213	736,278	7,107

Increase in a direct associate

During the year ended 31 December 2017, the Company had entered into a share sale and purchase agreement (“SPA”) with a third party for the purchase of 49% of the total issued shares in PTGC Co., Ltd. (“PTGC”), a company incorporated in Cambodia.

During the nine-month period ended 30 September 2018, the SPA agreement was amended and the total purchase price per the SPA was revised from US Dollar 19.7 million to US Dollar 22.5 million.

On 30 June 2018, all the conditions in the SPA were met, and PTGC became a direct associate of the Company.

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Transaction Support Agreement (“TSA”)

On 4 April 2018, Mermaid International Ventures (“MIV”), an indirect subsidiary of the Company, has entered into the TSA with the ultimate parent company (outside Thoresen Thai Agencies Public Company Limited and its subsidiaries (“TTA Group”)) of the Group’s associates. MIV has agreed to the terms of put and call options in respect of MIV’s shares in the Group’s associates in accordance with the terms set out in the TSA, which can summarized as follows:

- (a) MIV will be granted a put option in respect of its shares in Group’s associates, exercisable between 1 October 2019 and 30 September 2020. The valuation for MIV’s shares in Group’s associates shall be based on independent rig brokers and financial expert assessment but subject to a ceiling of USD 125 million.
- (b) The ultimate parent company (outside Thoresen Thai Agencies Public Company Limited and its subsidiaries (“TTA Group”)) of the Group’s associates will be granted a call option in respect of MIV’s shares in Group’s associates, exercisable from 1 October 2020 to 31 March 2021. The valuation for MIV’s shares in Group’s associates shall be based on independent rig brokers and financial expert assessment but subject to a floor price of USD 75 million.

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Investments in associates and joint venture as at 30 September 2018 and 31 December 2017, and dividend income from those investments for the nine-month periods ended 30 September 2018 and 2017 were as follows:

Consolidated financial statements											
Type of business	Country of incorporation	Ownership interest (%)		Paid-up capital		Cost		Equity		Dividend income for the nine-month periods ended	
		30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	30 September 2017	30 September 2018	30 September 2017
<i>(in thousand US Dollar)</i>											
Direct associate											
PTGC Co., Ltd.	Cambodia	49.00	-	USD 19 million	-	22,507	-	22,425	-	-	-
						22,507		22,425			
Indirect associates											
Asia Offshore Drilling Limited ^(A)	Bermuda	33.76	33.76	USD 60 million	USD 60 million	97,582	97,582	95,095	88,927	-	-
						97,582	97,582	95,095	88,927		
Joint venture											
Zamil Mermaid Offshore Services Co. (LLC)	Saudi Arabia	40.00	40.00	SAR 2 million	SAR 2 million	213	213	2,100	2,047	-	-
						213	213	2,100	2,047		
Total						120,302	97,795	119,620	90,974		

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		Consolidated financial statements											
		Type of business		Country of incorporation		Ownership interest (%)		Paid-up capital		Cost		Equity	
		30 September 2018	30 September 2018	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	30 September 2017
Direct associate													
PTGC Co., Ltd.	Real estate	729,375	729,375	49.00	-	USD 19 million	-	726,718	-	-	-	-	-
Indirect associates													
Asia Offshore													
Drilling Limited ^(A)	Drilling services	3,162,301	3,162,301	33.76	33.76	USD 60 million	USD 60 million	3,081,706	2,906,214	-	-	-	-
		<u>3,162,301</u>	<u>3,162,301</u>					<u>3,081,706</u>	<u>2,906,214</u>				
Joint venture													
Zamil Mermaid Offshore Services Co. (LLC)	Inspection, installation, repair and maintenance services for Offshore Oil and Gas industry	6,903	6,903	40.00	40.00	SAR 2 million	SAR 2 million	68,054	66,898	-	-	-	-
		<u>6,903</u>	<u>6,903</u>					<u>68,054</u>	<u>66,898</u>				
Total		<u>3,898,579</u>	<u>3,898,579</u>					<u>3,876,478</u>	<u>2,973,112</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.

None of the Group's associates and joint ventures are publicly listed and consequently do not have published price quotations.

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Investments in associate and joint venture as at 30 September 2018 and 31 December 2017, and dividend income from those investments for the nine-month periods ended 30 September 2018 and 2017 were as follows:

	Type of business	Country of incorporation	Ownership interest (%)		Paid-up capital		Separate financial statements						
			30 September 2018	31 December 2017	30 September 2018	31 December 2017	Cost		Dividend income for the nine-month periods ended				
			September 2018	December 2017	September 2018	December 2017	September 2018	December 2017	September 2018	September 2017			
Associate													
PTGC Co., Ltd.	Real estate	Cambodia	49.00	-	USD 19 million	-	-	22,507	-	-	-	-	-
								<u>22,507</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	SAR 2 million	213	213	-	-	-	-
								<u>213</u>	<u>213</u>				
Total								<u>22,720</u>	<u>213</u>				

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	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Separate financial statements			Dividend income for the nine-month periods ended
			30 September 2018	31 December 2017	30 September 2018	31 December 2017	Cost		September 2018	
			(%)	(%)	USD 19 million	SAR 2 million	September 2018	September 2017	September 2018	
Associate										
PTGC Co., Ltd.	Real estate	Cambodia	49.00	-	USD 19 million	-	-	729,375	-	-
								<u>729,375</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		6,903	6,961	-
								<u>6,903</u>	<u>6,961</u>	-
Total								<u>736,278</u>	<u>6,961</u>	-

None of the Company's associate and joint venture are publicly listed and consequently do not have published price quotations.

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7 Investments in subsidiaries

<i>Nine-month period ended 30 September</i>	Separate financial statements			
	2018	2017	2018	2017
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
At 1 January	156,959	192,319	5,129,561	6,890,924
Increase	-	3,658	-	122,062
Disposal	-	(95,000)	-	(3,169,998)
Reclassified from allowance for doubtful debt	-	(3,658)	-	(122,062)
Reversal of allowance for impairment loss on investment in subsidiaries	-	59,640	-	1,990,091
Translation adjustments	-	-	(43,053)	(473,546)
At 30 September	156,959	156,959	5,086,508	5,237,471

On 5 April 2018, Mermaid Drilling (Singapore) Pte. Ltd. (“MDS”), a direct subsidiary of the Company, was deregistered. As at 31 December 2017, the Company recognized gain on derecognition of assets and liabilities of MDS of US Dollar 0.6 million in other income, and return to shareholder from the liquidation of MDS of US Dollar 36.0 million which offset to other accounts payable.

On 5 February 2018, MTR - 3 (Singapore) Pte. Ltd. (“M3S”) and MTR - 4 (Singapore) Pte. Ltd. (“M4S”), direct subsidiaries of the Company, were deregistered.

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 in 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.

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

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Investments in subsidiaries as at 30 September 2018 and 31 December 2017, and dividend income from those investments for the nine-month periods ended 30 September 2018 and 2017 were as follows:

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income for the	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	nine-month periods ended 30 September 2018	nine-month periods ended 30 September 2017
Direct subsidiaries										
Mermaid Subsea Services (Thailand) Ltd.	THB 2,130 million	THB 2,130 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.	-	-	-	-	-	-	-	-	-	-
MTR - 3 (Singapore) Pte. Ltd.	-	-	-	-	-	-	-	-	-	-
MTR - 4 (Singapore) Pte. Ltd.	-	-	-	-	-	-	-	-	-	-
Mermaid Maritime Mauritius Ltd.	USD 1	USD 1	-	-	-	-	-	-	-	-
Total			167,559	167,559	(10,600)	(10,600)	156,959	156,959	-	-

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Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income for the nine-month periods ended	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	30 September 2017
Indirect subsidiaries										
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 Subsea Services (Malaysia) Sdn. Bhd.	MYR 350 thousand	-	90	-	-	-	90	-	-	-
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	(5,930)	(5,705)	2,404	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 Ltd.)	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			57,778	57,688	(43,212)	(42,787)	14,566	14,901	-	-

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Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income for the nine-month periods ended	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	30 September 2017
Direct subsidiaries										
Mermaid Subsea Services (Thailand) Ltd.	THB 2,130 million	THB 2,130 million	4,973,928	5,016,028	-	-	4,973,928	5,016,028	-	-
Mermaid Drilling Ltd.	THB 410 million	THB 410 million	456,090	459,951	(343,510)	(346,418)	112,580	113,533	-	-
Mermaid Drilling (Singapore) Pte. Ltd.	-	-	-	-	-	-	-	-	-	-
MTR - 3 (Singapore) Pte. Ltd.	-	-	-	-	-	-	-	-	-	-
MTR - 4 (Singapore) Pte. Ltd.	-	-	-	-	-	-	-	-	-	-
Mermaid Maritime Mauritius Ltd.	USD 1	USD 1	-	-	-	-	-	-	-	-
Total			5,430,018	5,475,979	(343,510)	(346,418)	5,086,508	5,129,561	-	-

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Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income for the	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	September 2018	September 2017
					<i>(in thousand Baht)</i>					
Indirect subsidiaries										
Seascope Surveys Pte. Ltd.	SGD 100	SGD 100	462,377	466,291	(332,589)	(335,404)	129,788	130,887	-	-
PT Seascope Surveys Indonesia	IDR 7,328 million	IDR 7,328 million	6,481	6,536	(6,481)	-	-	6,536	-	-
Mermaid Subsea Services (Malaysia) Sdn. Bhd.	MYR 350 thousand	-	2,917	-	-	-	2,917	-	-	-
Mermaid Offshore Services Pte. Ltd.	USD 20,400 thousand	USD 20,400 thousand	661,095	666,690	(661,095)	(666,690)	-	-	-	-
MTR - 1 Ltd.	THB 240 million	THB 240 million	202,703	204,419	(202,703)	(204,419)	-	-	-	-
MTR - 2 Ltd.	THB 350 million	THB 350 million	270,077	272,363	(192,171)	(186,445)	77,906	85,918	-	-
Mermaid Drilling (Malaysia) Sdn. Bhd.	MYR 500 thousand	MYR 500 thousand	5,315	5,360	(5,315)	(5,360)	-	-	-	-
MTR - 1 (Singapore) Pte. Ltd.	USD 40 thousand	USD 40 thousand	1,296	1,307	-	-	1,296	1,307	-	-
Mermaid International Ventures	USD 100	USD 100	3	3	-	-	3	3	-	-
Mermaid Subsea Services (International) Ltd.	USD 1	USD 1	245,836	247,917	-	-	245,836	247,917	-	-
Mermaid Subsea Services Saudi Arabia Co., Ltd. (formerly Subtech Saudi Arabia Ltd.)	SAR 500 thousand	SAR 500 thousand	12,509	12,615	-	-	12,509	12,615	-	-
Mermaid Subsea Services LLC	QAR 200 thousand	QAR 200 thousand	1,782	1,797	-	-	1,782	1,797	-	-
Total			<u>1,872,391</u>	<u>1,885,298</u>	<u>(1,400,354)</u>	<u>(1,398,318)</u>	<u>472,037</u>	<u>486,980</u>	<u>-</u>	<u>-</u>

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8 Property, plant and equipment

8.1) Acquisitions and disposals of property, plant and equipment during the nine-month period ended 30 September 2018 were as follows:

	Consolidated financial statements		Separate financial statements	
	(in thousand US Dollar)	(in thousand Baht)	(in thousand US Dollar)	(in thousand Baht)
<i>Net book value</i>				
At 1 January 2018	182,872	5,976,422	204	6,667
Additions	5,780	187,310	13	421
Disposals	(3,821)	(123,826)	-	-
Depreciation	(13,187)	(424,063)	(55)	(1,767)
Reversal of impairment loss	1,800	56,774	-	-
Translation adjustments	-	(51,887)	-	(71)
At 30 September 2018	173,444	5,620,730	162	5,250

8.2) As at 30 September 2018, the Group's property, plant and equipment with a net book value of US Dollar 124.6 million (31 December 2017: US Dollar 126.8 million) were registered to secure short-term and long-term borrowings.

9 Long-term borrowings

	Consolidated financial statements			
	30 September 2018 (in thousand US Dollar)	31 December 2017 (in thousand US Dollar)	30 September 2018 (in thousand Baht)	31 December 2017 (in thousand Baht)
Current portion	13,890	11,890	450,128	388,576
Long-term portion	56,808	67,725	1,840,954	2,213,314
Total	70,698	79,615	2,291,082	2,601,890

Movements during the nine-month periods ended 30 September 2018 and 2017 were as follows:

	Consolidated financial statements			
	2018 (in thousand US Dollar)	2017 (in thousand US Dollar)	2018 (in thousand Baht)	2017 (in thousand Baht)
At 1 January	79,615	89,505	2,601,890	3,207,027
Repayments	(9,000)	(7,000)	(291,659)	(233,579)
Amortisation to profit and loss (front end fee)	83	83	2,668	2,844
Translation adjustments	-	-	(21,817)	(220,463)
At 30 September	70,698	82,588	2,291,082	2,755,829

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 71.0 million as at 30 September 2018 (31 December 2017: US Dollar 80.0 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 8 and are guaranteed by the Company.

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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

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Revenue and results, based on business segments, in the consolidated financial statements for the three-month and nine-month periods ended 30 September 2018 and 2017 were as follows:

	Consolidated financial statements				
	For the three-month period ended 30 September 2018				
Subsea group	Drilling group	Holding	Total	Elimination	Group
<i>(in thousand US Dollar)</i>					
Revenue from rendering of services	29,419	-	29,419	(2)	29,417
Operating profit (loss)	(3,734)	50	(2,375)	(132)	(2,507)
Share of profit of associates and joint venture	20	-	1,830	-	1,830
Finance costs	(1,054)	-	(1,054)	66	(988)
Tax expense	(198)	-	(198)	-	(198)
Profit (loss) for the period	(4,966)	50	(1,797)	(66)	(1,863)

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	Consolidated financial statements				
	For the three-month period ended 30 September 2017				
Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total	Elimination	Group
Revenue from rendering of services	30,198	-	30,198	-	30,198
Operating profit (loss)	(3,004)	(183)	(1,856)	(595)	(2,451)
Share of profit of associates and joint venture	16	-	1,123	-	1,123
Finance costs	(917)	-	(917)	-	(917)
Tax income	167	-	167	-	167
Profit (loss) for the period	(3,738)	(183)	(1,483)	(595)	(2,078)

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	Consolidated financial statements				
	For the three-month period ended 30 September 2018				
Subsea group	Drilling group	Holding	Total	Elimination	Group
		<i>(in thousand Baht)</i>			
Revenue from rendering of services	970,036	-	970,036	(66)	969,970
Operating profit (loss)	(123,122)	1,649	(78,311)	(4,352)	(82,663)
Share of profit of associates and joint venture	659	-	60,340	-	60,340
Finance costs	(34,753)	-	(34,753)	2,176	(32,577)
Tax expense	(6,529)	-	(6,529)	-	(6,529)
Profit (loss) for the period	(163,745)	1,649	(59,253)	(2,176)	(61,429)

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	Consolidated financial statements					
	For the three-month period ended 30 September 2017					
	Subsea group	Drilling group	Holding <i>(in thousand Baht)</i>	Total	Elimination	Group
Revenue from rendering of services	1,008,236	-	-	1,008,236	-	1,008,236
Operating profit (loss)	(100,296)	(6,110)	44,439	(61,967)	(19,866)	(81,833)
Share of profit of associates and joint venture	534	-	36,960	37,494	-	37,494
Finance costs	(30,616)	-	-	(30,616)	-	(30,616)
Tax income	5,576	-	-	5,576	-	5,576
Profit (loss) for the period	(124,802)	(6,110)	81,399	(49,513)	(19,866)	(69,379)

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	Consolidated financial statements				
	For the nine-month period ended 30 September 2018				
Subsea group	Drilling group	Holding <i>(in thousand US Dollar)</i>	Total	Elimination	Group
Revenue from rendering of services	68,943	-	68,943	(5)	68,938
Operating profit (loss)	(18,230)	1,456	(18,337)	(192)	(18,529)
Share of profit of associates and joint venture	53	-	6,139	-	6,139
Finance costs	(3,041)	-	(3,041)	124	(2,917)
Tax expense	(434)	(2)	(436)	-	(436)
Profit (loss) for the period	(21,652)	1,454	(15,675)	(68)	(15,743)
Segment assets as at 30 September 2018	309,050	3,727	737,350	(307,796)	429,554
Segment liabilities as at 30 September 2018	231,588	615	245,772	(142,661)	103,111

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	Consolidated financial statements					
	For the nine-month period ended 30 September 2017					
	Subsea group	Drilling group	Holding	Total	Elimination	Group
	<i>(in thousand US Dollar)</i>					
Revenue from rendering of services	111,193	-	-	111,193	-	111,193
Operating profit (loss)	(1,474)	(516)	4,834	2,844	(1,533)	1,311
Share of profit of associates and joint venture	58	-	3,432	3,490	-	3,490
Finance costs	(2,685)	-	-	(2,685)	-	(2,685)
Tax income	168	-	-	168	-	168
Profit (loss) for the period	(3,933)	(516)	8,266	3,817	(1,533)	2,284
Segment assets as at 31 December 2017	319,824	3,223	419,181	742,228	(291,100)	451,128
Segment liabilities as at 31 December 2017	221,956	1,569	13,333	236,858	(127,914)	108,944

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	Consolidated financial statements					
	For the nine-month period ended 30 September 2018					
	Subsea group	Drilling group	Holding	Total	Elimination	Group
	<i>(in thousand Baht)</i>					
Revenue from rendering of services	2,224,751	-	-	2,224,751	(162)	2,224,589
Operating profit (loss)	(581,773)	45,916	(49,489)	(585,346)	(6,267)	(591,613)
Share of profit of associates and joint venture	1,709	-	195,673	197,382	-	197,382
Finance costs	(97,826)	-	-	(97,826)	4,027	(93,799)
Tax expense	(14,017)	(64)	-	(14,081)	-	(14,081)
Profit (loss) for the period	(691,907)	45,852	146,184	(499,871)	(2,240)	(502,111)
Segment assets as at 30 September 2018	10,015,261	120,779	13,758,967	23,895,007	(9,974,622)	13,920,385
Segment liabilities as at 30 September 2018	7,504,978	19,930	439,725	7,964,633	(4,623,158)	3,341,475

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	Consolidated financial statements					
	For the nine-month period ended 30 September 2017					
	Subsea group	Drilling group	Holding	Total	Elimination	Group
	<i>(in thousand Baht)</i>					
Revenue from rendering of services	3,816,206	-	-	3,816,206	-	3,816,206
Operating profit (loss)	(49,213)	(17,660)	166,470	99,597	(51,990)	47,607
Share of profit of associates and joint venture	1,996	-	117,655	119,651	-	119,651
Finance costs	(91,970)	-	-	(91,970)	-	(91,970)
Tax income	5,562	-	-	5,562	-	5,562
Profit (loss) for the period	(133,625)	(17,660)	284,125	132,840	(51,990)	80,850
Segment assets as at 31 December 2017	10,452,137	105,331	13,699,212	24,256,680	(9,513,410)	14,743,270
Segment liabilities as at 31 December 2017	7,253,723	51,276	435,734	7,740,733	(4,180,345)	3,560,388

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11 Earnings per share

Basic earnings (losses) per share

The calculations of basic earnings (losses) per share for the three-month and nine-month periods ended 30 September 2018 and 2017 were based on the profit (loss) 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 September</i>	Consolidated financial statements			
	2018 <i>(in thousand US Dollar/ thousand shares)</i>	2017 <i>(in thousand US Dollar/ thousand shares)</i>	2018 <i>(in thousand Baht/ thousand shares)</i>	2017 <i>(in thousand Baht/ thousand shares)</i>
Loss attributable to ordinary shareholders of the Company (basic)	<u>(1,876)</u>	<u>(2,038)</u>	<u>(61,858)</u>	<u>(68,043)</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>
Losses per share (basic)	<u>(0.0013)</u>	<u>(0.0014)</u>	<u>(0.0438)</u>	<u>(0.0481)</u>
<i>Nine-month period ended 30 September</i>	Consolidated financial statements			
	2018 <i>(in thousand US Dollar/ thousand shares)</i>	2017 <i>(in thousand US Dollar/ thousand shares)</i>	2018 <i>(in thousand Baht/ thousand shares)</i>	2017 <i>(in thousand Baht/ thousand shares)</i>
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(15,781)</u>	<u>2,315</u>	<u>(503,331)</u>	<u>81,869</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 (losses) per share (basic)	<u>(0.0112)</u>	<u>0.0016</u>	<u>(0.3561)</u>	<u>0.0579</u>
<i>Three-month period ended 30 September</i>	Separate financial statements			
	2018 <i>(in thousand US Dollar/ thousand shares)</i>	2017 <i>(in thousand US Dollar/ thousand shares)</i>	2018 <i>(in thousand Baht/ thousand shares)</i>	2017 <i>(in thousand Baht/ thousand shares)</i>
Profit attributable to ordinary shareholders of the Company (basic)	<u>3,719</u>	<u>3,248</u>	<u>122,627</u>	<u>108,443</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>0.0023</u>	<u>0.0868</u>	<u>0.0767</u>

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<i>Nine-month period ended 30 September</i>	Separate financial statements			
	2018 <i>(in thousand US Dollar/ thousand shares)</i>	2017 <i>(in thousand US Dollar/ thousand shares)</i>	2018 <i>(in thousand Baht/ thousand shares)</i>	2017 <i>(in thousand Baht/ thousand shares)</i>
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(125)</u>	<u>11,862</u>	<u>(2,784)</u>	<u>408,771</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 (losses) per share (basic)	<u>(0.0001)</u>	<u>0.0084</u>	<u>(0.0020)</u>	<u>0.2892</u>

12 Financial instruments

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. 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.

	Carrying amount	Consolidated financial statements			
		Fair value			Total
		Level 1 <i>(in thousand US Dollar)</i>	Level 2	Level 3	
30 September 2018					
<i>Financial assets measured at fair value</i>					
Equity securities held for trading	6,140	-	6,140	-	6,140
<i>Financial assets and financial liabilities not measured at fair value</i>					
Other debt securities held to maturity	11,800	-	11,504	-	11,504
Long-term borrowings	70,698	-	-	66,395	66,395
31 December 2017					
<i>Financial liabilities not measured at fair value</i>					
Long-term borrowings	79,615	-	-	73,256	73,256

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	Carrying amount	Consolidated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
30 September 2018					
<i>Financial assets measured at fair value</i>					
Equity securities held for trading	198,976	-	198,976	-	198,976
<i>Financial assets and financial liabilities not measured at fair value</i>					
Other debt securities held to maturity	382,398	-	372,806	-	372,806
Long-term borrowings	2,291,082	-	-	2,151,636	2,151,636

	Carrying amount	Consolidated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in thousand US Dollar)</i>					
31 December 2017					
<i>Financial liabilities not measured at fair value</i>					
Long-term borrowings	2,601,890	-	-	2,394,072	2,394,072

Measurement of fair value

The Company determines Level 2 fair values for equity securities and other debt securities using a current value of the investment, which is in the Company's portfolio report from asset management companies.

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 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.

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13 Guarantees

As at 30 September 2018 and 31 December 2017, the Group and the Company had outstanding guarantees as follows:

	Consolidated financial statements							
	30 September 2018				31 December 2017			
	thousand Baht	thousand USD	thousand SAR	thousand QAR	thousand Baht	thousand USD	thousand SAR	thousand QAR
Letters of guarantee issued by financial institutions in the normal course of business	15,600	13,496	4,350	-	19,990	13,576	-	46
Guarantee for long-term borrowings of subsidiary to financial institution	-	71,000	-	-	-	80,000	-	-

	Separate financial statements				
	30 September 2018		31 December 2017		
	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 subsidiary to financial institution		-	71,000	-	80,000

14 Commitments with non-related parties

(a) Capital commitments

	Consolidated financial statements			
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Purchasing of diving equipment	-	72	-	2,353
Purchasing of investment	-	2,389	-	78,075
Total	-	2,461	-	80,428

	Separate financial statements			
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Purchasing of investment	-	2,389	-	78,075
Total	-	2,389	-	78,075

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

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

	Consolidated financial statements			
	30	31	30	31
	September 2018 <i>(in thousand US Dollar)</i>	December 2017	September 2018 <i>(in thousand Baht)</i>	December 2017
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	819	5,169	26,541	168,928
After one year but within five years	1,500	5,833	48,610	190,628
After five years	465	741	15,069	24,217
Total	2,784	11,743	90,220	383,773

As at 30 September 2018, the Company had various lease agreements for office expiring in various periods up to 2024.