

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

Financial statements for the year ended  
31 December 2022  
and  
Independent Auditor's Report



KPMG Phoomchai Audit Ltd.  
50<sup>th</sup> Floor, Empire Tower  
1 South Sathorn Road, Yannawa  
Sathorn, Bangkok 10120, Thailand  
Tel +66 2677 2000  
Fax +66 2677 2222  
Website [home.kpmg/th](http://home.kpmg/th)

บริษัท เคพีเอ็มจี ภูมิไชย สอบบัญชี จำกัด  
ชั้น 50 เอ็มไพร์ ทาวเวอร์  
1 ถนนสาทรใต้ แขวงยานนาวา  
เขตสาทร กรุงเทพฯ 10120  
โทร +66 2677 2000  
แฟกซ์ +66 2677 2222  
เว็บไซต์ [home.kpmg/th](http://home.kpmg/th)

## Independent Auditor's Report

### To the Shareholders of Mermaid Maritime Public Company Limited

#### *Opinion*

I have audited the consolidated and separate financial statements of Mermaid Maritime Public Company Limited and its subsidiaries (the “Group”) and of Mermaid Maritime Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

#### *Basis for Opinion*

I conducted my audit in accordance with Thai Standards on Auditing (“TSAs”). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (“Code of Ethics for Professional Accountants”) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### *Key Audit Matters*

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



The impairment testing of property, plant and equipment and investments in subsidiaries	
Refer to Notes 8 and 10 to the consolidated and separate financial statements.	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The Group had several cash-generating units (“CGUs”) which generated losses from operations during the year, which management considered to be an indicator of impairment of those CGUs’ property, plant and equipment, and the Company’s investments in those subsidiaries containing those CGUs as at 31 December 2022.</p> <p>Therefore, management estimated the recoverable amounts of those CGUs’ property, plant and equipment by using the higher of the property, plant and equipment’s estimated value-in-use and fair value less costs to sell. For the recoverable amounts of those investments in subsidiaries, management estimated their enterprise values.</p> <p>Management used the discounted cash flow forecast (“DCF”) method to estimate value-in-use and enterprise value. In using the DCF method, there are key assumptions used to estimate future cash flows, which contain inherent uncertainty. Therefore, this is a key area of judgment on which my audit was focused.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>• making inquiries of management and obtaining related documents to understand the process by which management has derived its value-in-use and enterprise value estimates;</li> <li>• comparing forecast revenues to those achieved in prior periods;</li> <li>• evaluating the DCF methodology and key assumptions applied in the DCF model;</li> <li>• performing sensitivity tests by varying key assumptions;</li> <li>• assessing the competency and independence of management’s fair value less costs to sell valuation expert;</li> <li>• using the work of external experts engaged by KPMG in evaluating methodologies and key assumptions used in assessing the fair value of assets; and</li> <li>• considering the adequacy of the Group’s disclosures in accordance with the relevant Thai Financial Reporting Standards.</li> </ul>

Measurement of expected credit losses on amount due from related parties and loans to related parties	
Refer to Notes 3 and 18 to the separate financial statements.	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The Company measured expected credit losses on amount due from related parties and loans to related parties are based on management’s estimate of the lifetime expected credit loss, which involves significant management judgement, including the estimates of probability of default, loss given default, discount rate, and adjustments for forward looking information, and the result might have had a significant impact to the separate financial statements.</p> <p>I identified the measurement of expected credit losses as a key audit matter because amount due from related parties and loans to related parties are material to the Company and the recognition of expected credit loss requires the exercise of significant management judgement.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>• obtaining an understanding of and evaluating the design, implementation and operating effectiveness of key internal controls over the measurement of expected credit losses and estimation of allowance for expected credit losses;</li> <li>• assessing overall data and assumptions used in management estimation whether the assumptions used in making the accounting estimate are reasonable;</li> <li>• testing the calculation of expected credit losses on amount due from related parties and loans to related parties and evaluating the accuracy of their balances; and</li> <li>• considering the adequacy of disclosures in accordance with Thai Financial Reporting Standards.</li> </ul>



### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

### *Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements*

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Siripen Sukcharoenyingyong)  
Certified Public Accountant  
Registration No. 3636

KPMG Phoomchai Audit Ltd.  
Bangkok  
27 February 2023

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Statement of financial position

<b>Consolidated financial statements</b>					
<b>Assets</b>	<i>Note</i>	31 December		31 December	
		2022	2021	2022	2021
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b><i>Current assets</i></b>					
Cash and cash equivalents	4, 18	7,801	7,983	269,621	266,791
Current investments	18	-	2,874	-	96,049
Trade and other accounts receivable	3, 6, 18	63,931	75,698	2,209,609	2,529,820
Short-term loans to related parties	3, 18	1,250	-	43,203	-
Supplies and spare parts		948	346	32,765	11,563
<b>Total current assets</b>		<b>73,930</b>	<b>86,901</b>	<b>2,555,198</b>	<b>2,904,223</b>
<b><i>Non-current assets</i></b>					
Restricted deposit at financial institutions	5	8,405	8,187	290,497	273,609
Investment in associate	7	22,381	22,397	773,541	748,506
Investment in joint ventures	7	6,119	4,521	211,487	151,091
Long-term loan to related party	3, 18	-	1,082	-	36,160
Other non-current receivable to joint venture	3, 18	16,000	-	552,998	-
Investment properties	9	406	449	14,032	15,006
Property, plant and equipment	10	134,195	132,757	4,638,101	4,436,727
Right-of-use assets	11	29,355	203	1,014,579	6,784
Intangible assets		-	2,000	-	66,840
Deferred tax assets	16	616	57	21,290	1,905
Other non-current assets		84	78	2,903	2,607
<b>Total non-current assets</b>		<b>217,561</b>	<b>171,731</b>	<b>7,519,428</b>	<b>5,739,235</b>
<b>Total assets</b>		<b>291,491</b>	<b>258,632</b>	<b>10,074,626</b>	<b>8,643,458</b>

The accompanying notes form an integral part of the financial statements.

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Statement of financial position

<b>Consolidated financial statements</b>					
<b>Liabilities and equity</b>	<i>Note</i>	31 December		31 December	
		2022	2021	2022	2021
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b>Current liabilities</b>					
Trade and other accounts payable	3	54,178	42,763	1,872,521	1,429,134
Short-term borrowing from parent company	3, 12, 18	4,000	-	138,250	-
Current portion of long-term borrowing from parent company	3, 12, 18	5,000	3,000	172,812	100,260
Current portion of long-term borrowings from financial institution	12, 18	14,209	14,209	491,097	474,863
Current portion of lease liabilities	12	8,683	123	300,105	4,111
Current income tax payable		2,238	862	77,351	28,808
<b>Total current liabilities</b>		<b>88,308</b>	<b>60,957</b>	<b>3,052,136</b>	<b>2,037,176</b>
<b>Non-current liabilities</b>					
Long-term borrowing from parent company	3, 12, 18	-	2,000	-	66,840
Long-term borrowings from financial institution	12, 18	18,275	32,485	631,628	1,085,645
Lease liabilities	12	21,129	78	730,269	2,607
Deferred tax liabilities	16	19	-	657	-
Non-current provisions for employee benefits	13	2,820	2,437	97,466	81,444
<b>Total non-current liabilities</b>		<b>42,243</b>	<b>37,000</b>	<b>1,460,020</b>	<b>1,236,536</b>
<b>Total liabilities</b>		<b>130,551</b>	<b>97,957</b>	<b>4,512,156</b>	<b>3,273,712</b>

The accompanying notes form an integral part of the financial statements.

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity	Consolidated financial statements			
	31 December		31 December	
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b>Equity</b>				
Share capital:				
Authorized share capital <i>(1,416,700,697 ordinary shares, par value at Baht 1 per share)</i>	-	-	1,416,701	1,416,701
Issued and paid share capital <i>(1,413,328,857 ordinary shares, par value at Baht 1 per share)</i>	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	(226,772)	(226,505)	(9,052,401)	(9,064,542)
Other components of equity	(3,392)	(3,392)	925,253	764,029
<b>Equity attributable to owners of the parent</b>	<b>160,694</b>	<b>160,961</b>	<b>5,557,859</b>	<b>5,384,494</b>
Non-controlling interests	246	(286)	4,611	(14,748)
<b>Total equity</b>	<b>160,940</b>	<b>160,675</b>	<b>5,562,470</b>	<b>5,369,746</b>
<b>Total liabilities and equity</b>	<b>291,491</b>	<b>258,632</b>	<b>10,074,626</b>	<b>8,643,458</b>

The accompanying notes form an integral part of the financial statements.

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Separate financial statements			
		31 December		31 December	
		2022	2021	2022	2021
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b>Current assets</b>					
Cash and cash equivalents	4, 18	105	5,319	3,629	177,760
Other accounts receivable	3, 18	511	6,560	17,661	219,236
Short-term loan to related parties	3, 18	1,250	-	43,203	-
<b>Total current assets</b>		<b>1,866</b>	<b>11,879</b>	<b>64,493</b>	<b>396,996</b>
<b>Non-current assets</b>					
Investment in associate	7	22,507	22,507	777,896	752,182
Investment in joint venture	7	213	213	7,362	7,118
Investment in subsidiaries	8	55,370	55,370	1,913,720	1,850,460
Other non-current receivable to subsidiary	3, 18	27,474	15,204	949,567	508,116
Long-term loan to subsidiary	3, 18	30,632	32,796	1,058,715	1,096,039
Investment properties	9	1,336	1,495	46,175	49,963
Property, plant and equipment	10	100	90	3,456	3,009
Intangible assets		-	-	-	-
Right-of-use assets	11	264	202	9,124	6,751
Deferred tax assets	16	59	57	2,039	1,905
Other non-current assets		48	48	1,659	1,604
<b>Total non-current assets</b>		<b>138,003</b>	<b>127,982</b>	<b>4,769,713</b>	<b>4,277,147</b>
<b>Total assets</b>		<b>139,869</b>	<b>139,861</b>	<b>4,834,206</b>	<b>4,674,143</b>

The accompanying notes form an integral part of the financial statements.

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

Liabilities and equity	Note	Separate financial statements			
		31 December		31 December	
		2022	2021	2022	2021
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b>Current liabilities</b>					
Other accounts payable	3	706	714	24,401	23,861
Short-term borrowing from parent company	3, 12	4,000	-	138,250	-
Current portion of long-term borrowing from parent company	3, 12	5,000	3,000	172,812	100,260
Current portion of lease liabilities	12	106	122	3,664	4,077
<b>Total current liabilities</b>		<b>9,812</b>	<b>3,836</b>	<b>339,127</b>	<b>128,198</b>
<b>Non-current liabilities</b>					
Long-term borrowing from parent company	3, 12	-	2,000	-	66,840
Lease liabilities	12	139	78	4,804	2,607
Non-current provisions for employee benefits	13	358	317	12,373	10,594
<b>Total non-current liabilities</b>		<b>497</b>	<b>2,395</b>	<b>17,177</b>	<b>80,041</b>
<b>Total liabilities</b>		<b>10,309</b>	<b>6,231</b>	<b>356,304</b>	<b>208,239</b>
<b>Equity</b>					
Share capital:					
Authorized share capital <i>(1,416,700,697 ordinary shares, par value at Baht 1 per share)</i>		-	-	1,416,701	1,416,701
Issued and paid share capital <i>(1,413,328,857 ordinary shares, par value at Baht 1 per share)</i>		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		(261,326)	(257,256)	(9,641,448)	(9,502,409)
Other components of equity		28	28	434,343	283,306
<b>Total equity</b>		<b>129,560</b>	<b>133,630</b>	<b>4,477,902</b>	<b>4,465,904</b>
<b>Total liabilities and equity</b>		<b>139,869</b>	<b>139,861</b>	<b>4,834,206</b>	<b>4,674,143</b>

The accompanying notes form an integral part of the financial statements.

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

<b>Consolidated financial statements</b>					
		Year ended 31 December		Year ended 31 December	
		2022	2021	2022	2021
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b><i>Income</i></b>					
Revenue from rendering of services	3	223,935	111,592	7,905,754	3,605,269
Interest income		126	14	4,571	441
Other income	3	1,247	2,633	43,982	84,857
<b>Total income</b>		<b>225,308</b>	<b>114,239</b>	<b>7,954,307</b>	<b>3,690,567</b>
<b><i>Expenses</i></b>					
Costs of rendering of services	3, 15	206,480	113,225	7,266,036	3,660,601
Administrative expenses	3, 15	15,452	14,395	540,958	461,088
Net loss on foreign exchange		1,033	444	37,440	14,210
Finance costs		3,317	1,629	118,177	51,997
<b>Total expenses</b>		<b>226,282</b>	<b>129,693</b>	<b>7,962,611</b>	<b>4,187,896</b>
Share of profit of joint ventures and associates accounted for using equity method		2,897	533	100,145	18,823
<b>Profit (loss) before income tax expense</b>		<b>1,923</b>	<b>(14,921)</b>	<b>91,841</b>	<b>(478,506)</b>
Tax expense	16	1,585	750	57,685	23,524
<b>Profit (loss) for the year</b>		<b>338</b>	<b>(15,671)</b>	<b>34,156</b>	<b>(502,030)</b>
<b>Other comprehensive income</b>					
<b><i>Items that will be reclassified subsequently to profit or loss</i></b>					
Exchange differences on translating financial statements		-	(1,259)	-	(42,023)
Translation adjustments		-	-	161,224	578,057
<b><i>Items that will not be reclassified to profit or loss</i></b>					
Gain (loss) on remeasurements of defined benefit plans	13	(73)	302	(2,656)	10,074
<b>Other comprehensive income (expense) for the year, net of tax</b>		<b>(73)</b>	<b>(957)</b>	<b>158,568</b>	<b>546,108</b>
<b>Total comprehensive income (expense) for the year</b>		<b>265</b>	<b>(16,628)</b>	<b>192,724</b>	<b>44,078</b>

The accompanying notes form an integral part of the financial statements.

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

<b>Consolidated financial statements</b>					
		Year ended 31 December		Year ended 31 December	
<i>Note</i>	2022	2021	2022	2021	
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>		
<b>Profit (loss) attributable to:</b>					
Owners of parent	(195)	(15,724)	14,761	(503,533)	
Non-controlling interests	533	53	19,395	1,503	
	<b>338</b>	<b>(15,671)</b>	<b>34,156</b>	<b>(502,030)</b>	
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of parent	(267)	(16,619)	173,365	44,645	
Non-controlling interests	532	(9)	19,359	(567)	
	<b>265</b>	<b>(16,628)</b>	<b>192,724</b>	<b>44,078</b>	
<b>Basic earnings (losses) per share</b>					
	<i>(in US Dollar)</i>		<i>(in Baht)</i>		
Basic earnings (losses) per share	17	(0.0001)	(0.0111)	0.0104	(0.3563)

The accompanying notes form an integral part of the financial statements.

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

		<b>Separate financial statements</b>			
		Year ended 31 December		Year ended 31 December	
<i>Note</i>		2022	2021	2022	2021
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b><i>Income</i></b>					
Management fee income	3	420	420	14,727	13,402
Interest income	3	895	952	31,366	30,423
Other income	3	343	437	12,047	13,814
<b>Total income</b>		<b><u>1,658</u></b>	<b><u>1,809</u></b>	<b><u>58,140</u></b>	<b><u>57,639</u></b>
<b><i>Expenses</i></b>					
Administrative expenses	3, 15	3,231	3,447	112,690	109,495
Impairment loss	3	-	21,936	-	722,087
Net loss on foreign exchange		2,116	4,338	71,113	133,758
Finance costs		383	24	13,449	776
<b>Total expenses</b>		<b><u>5,730</u></b>	<b><u>29,745</u></b>	<b><u>197,252</u></b>	<b><u>966,116</u></b>
<b>Loss before income tax expense</b>		<b><u>(4,072)</u></b>	<b><u>(27,936)</u></b>	<b><u>(139,112)</u></b>	<b><u>(908,477)</u></b>
Tax expense (income)	16	(2)	1	(73)	(149)
<b>Loss for the year</b>		<b><u>(4,070)</u></b>	<b><u>(27,937)</u></b>	<b><u>(139,039)</u></b>	<b><u>(908,328)</u></b>
<b>Other comprehensive income</b>					
<b><i>Items that will be reclassified subsequently to profit or loss</i></b>					
Translation adjustments		-	-	151,037	521,241
<b><i>Items that will not be reclassified to profit or loss</i></b>					
Loss on remeasurement of defined benefit plans	16	-	(4)	-	(134)
<b>Other comprehensive income (expense) for the year, net of tax</b>		<b><u>-</u></b>	<b><u>(4)</u></b>	<b><u>151,037</u></b>	<b><u>521,107</u></b>
<b>Total comprehensive income (expense) for the year</b>		<b><u>(4,070)</u></b>	<b><u>(27,941)</u></b>	<b><u>11,998</u></b>	<b><u>(387,221)</u></b>
<b>Basic losses per share</b>		<i>(in US Dollar)</i>		<i>(in Baht)</i>	
Basic losses per share	17	<u>(0.0029)</u>	<u>(0.0198)</u>	<u>(0.0984)</u>	<u>(0.6427)</u>

The accompanying notes form an integral part of the financial statements.

## Mermaid Maritime Public Company Limited and its Subsidiaries

### Statement of changes in equity

	Consolidated financial statements									
	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
				Translation of financial statements	Share-based payment	Changes in ownership interests				
<i>(in thousand US Dollar)</i>										
<b>Year ended 31 December 2021</b>										
<b>Balance at 1 January 2021</b>	<b>47,322</b>	<b>343,536</b>	<b>(211,082)</b>	<b>1,196</b>	<b>28</b>	<b>(3,420)</b>	<b>(2,196)</b>	<b>177,580</b>	<b>(277)</b>	<b>177,303</b>
<b>Comprehensive income (expense) for the year</b>										
Profit or loss	-	-	(15,724)	-	-	-	-	(15,724)	53	(15,671)
Other comprehensive income	-	-	301	(1,196)	-	-	(1,196)	(895)	(62)	(957)
<b>Total comprehensive income (expense) for the year</b>	<b>-</b>	<b>-</b>	<b>(15,423)</b>	<b>(1,196)</b>	<b>-</b>	<b>-</b>	<b>(1,196)</b>	<b>(16,619)</b>	<b>(9)</b>	<b>(16,628)</b>
<b>Balance at 31 December 2021</b>	<b>47,322</b>	<b>343,536</b>	<b>(226,505)</b>	<b>-</b>	<b>28</b>	<b>(3,420)</b>	<b>(3,392)</b>	<b>160,961</b>	<b>(286)</b>	<b>160,675</b>
<b>Year ended 31 December 2022</b>										
<b>Balance at 1 January 2022</b>	<b>47,322</b>	<b>343,536</b>	<b>(226,505)</b>	<b>-</b>	<b>28</b>	<b>(3,420)</b>	<b>(3,392)</b>	<b>160,961</b>	<b>(286)</b>	<b>160,675</b>
<b>Comprehensive income (expense) for the year</b>										
Profit or loss	-	-	(195)	-	-	-	-	(195)	533	338
Other comprehensive income	-	-	(72)	-	-	-	-	(72)	(1)	(73)
<b>Total comprehensive income (expense) for the year</b>	<b>-</b>	<b>-</b>	<b>(267)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(267)</b>	<b>532</b>	<b>265</b>
<b>Balance at 31 December 2022</b>	<b>47,322</b>	<b>343,536</b>	<b>(226,772)</b>	<b>-</b>	<b>28</b>	<b>(3,420)</b>	<b>(3,392)</b>	<b>160,694</b>	<b>246</b>	<b>160,940</b>

The accompanying notes form an integral part of the financial statements.

## Mermaid Maritime Public Company Limited and its Subsidiaries

### Statement of changes in equity

	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	
				Translation of financial statements	Share-based payment	Changes in ownership interests				Total other components of equity
<i>(in thousand Baht)</i>										
<b>Year ended 31 December 2021</b>										
<b>Balance at 1 January 2021</b>	<b>1,413,329</b>	<b>12,271,678</b>	<b>(8,571,050)</b>	<b>346,181</b>	<b>874</b>	<b>(121,163)</b>	<b>225,892</b>	<b>5,339,849</b>	<b>(14,181)</b>	<b>5,325,668</b>
<b>Comprehensive income (expense) for the year</b>										
Profit or loss	-	-	(503,533)	-	-	-	-	(503,533)	1,503	(502,030)
Other comprehensive income	-	-	10,041	538,137	-	-	538,137	548,178	(2,070)	546,108
<b>Total comprehensive income (expense) for the year</b>	<b>-</b>	<b>-</b>	<b>(493,492)</b>	<b>538,137</b>	<b>-</b>	<b>-</b>	<b>538,137</b>	<b>44,645</b>	<b>(567)</b>	<b>44,078</b>
<b>Balance at 31 December 2021</b>	<b>1,413,329</b>	<b>12,271,678</b>	<b>(9,064,542)</b>	<b>884,318</b>	<b>874</b>	<b>(121,163)</b>	<b>764,029</b>	<b>5,384,494</b>	<b>(14,748)</b>	<b>5,369,746</b>
<b>Year ended 31 December 2022</b>										
<b>Balance at 1 January 2022</b>	<b>1,413,329</b>	<b>12,271,678</b>	<b>(9,064,542)</b>	<b>884,318</b>	<b>874</b>	<b>(121,163)</b>	<b>764,029</b>	<b>5,384,494</b>	<b>(14,748)</b>	<b>5,369,746</b>
<b>Comprehensive income (expense) for the year</b>										
Profit or loss	-	-	14,761	-	-	-	-	14,761	19,395	34,156
Other comprehensive income	-	-	(2,620)	161,224	-	-	161,224	158,604	(36)	158,568
<b>Total comprehensive income (expense) for the year</b>	<b>-</b>	<b>-</b>	<b>12,141</b>	<b>161,224</b>	<b>-</b>	<b>-</b>	<b>161,224</b>	<b>173,365</b>	<b>19,359</b>	<b>192,724</b>
<b>Balance at 31 December 2022</b>	<b>1,413,329</b>	<b>12,271,678</b>	<b>(9,052,401)</b>	<b>1,045,542</b>	<b>874</b>	<b>(121,163)</b>	<b>925,253</b>	<b>5,557,859</b>	<b>4,611</b>	<b>5,562,470</b>

The accompanying notes form an integral part of the financial statements.

## Mermaid Maritime Public Company Limited and its Subsidiaries

### Statement of changes in equity

	Separate financial statements				Total equity
	Issued and paid share capital	Share premium on ordinary shares	Retained earnings/ (Deficit) <i>(in thousand US Dollar)</i>	Other components of equity Share-based payment	
<b>Year ended 31 December 2021</b>					
<b>Balance at 1 January 2021</b>	<b>47,322</b>	<b>343,536</b>	<b>(229,315)</b>	<b>28</b>	<b>161,571</b>
<b>Comprehensive expense for the year</b>					
Profit or loss	-	-	(27,937)	-	(27,937)
Other comprehensive income	-	-	(4)	-	(4)
<b>Total comprehensive expense for the year</b>	<b>-</b>	<b>-</b>	<b>(27,941)</b>	<b>-</b>	<b>(27,941)</b>
<b>Balance at 31 Decemer 2021</b>	<b>47,322</b>	<b>343,536</b>	<b>(257,256)</b>	<b>28</b>	<b>133,630</b>
<b>Year ended 31 December 2022</b>					
<b>Balance at 1 January 2022</b>	<b>47,322</b>	<b>343,536</b>	<b>(257,256)</b>	<b>28</b>	<b>133,630</b>
<b>Comprehensive expense for the year</b>					
Profit or loss	-	-	(4,070)	-	(4,070)
<b>Total comprehensive expense for the year</b>	<b>-</b>	<b>-</b>	<b>(4,070)</b>	<b>-</b>	<b>(4,070)</b>
<b>Balance at 31 Decemer 2022</b>	<b>47,322</b>	<b>343,536</b>	<b>(261,326)</b>	<b>28</b>	<b>129,560</b>

The accompanying notes form an integral part of the financial statements.

## Mermaid Maritime Public Company Limited and its Subsidiaries

### Statement of changes in equity

	Separate financial statements						
	Issued and paid share capital	Share premium on ordinary shares	Retained earnings/ (Deficit)	Other components of equity			Total equity
				Translation of financial statements <i>(in thousand Baht)</i>	Share-based payment	Total other components of equity	
<b>Year ended 31 December 2021</b>							
<b>Balance at 1 January 2021</b>	<b>1,413,329</b>	<b>12,271,678</b>	<b>(8,593,947)</b>	<b>(238,809)</b>	<b>874</b>	<b>(237,935)</b>	<b>4,853,125</b>
<b>Comprehensive income (expense) for the year</b>							
Profit or loss	-	-	(908,328)	-	-	-	(908,328)
Other comprehensive income	-	-	(134)	521,241	-	521,241	521,107
<b>Total comprehensive income (expense) for the year</b>	<b>-</b>	<b>-</b>	<b>(908,462)</b>	<b>521,241</b>	<b>-</b>	<b>521,241</b>	<b>(387,221)</b>
<b>Balance at 31 December 2021</b>	<b>1,413,329</b>	<b>12,271,678</b>	<b>(9,502,409)</b>	<b>282,432</b>	<b>874</b>	<b>283,306</b>	<b>4,465,904</b>
<b>Year ended 31 December 2022</b>							
<b>Balance at 1 January 2022</b>	<b>1,413,329</b>	<b>12,271,678</b>	<b>(9,502,409)</b>	<b>282,432</b>	<b>874</b>	<b>283,306</b>	<b>4,465,904</b>
<b>Comprehensive income (expense) for the year</b>							
Profit or loss	-	-	(139,039)	-	-	-	(139,039)
Other comprehensive income	-	-	-	151,037	-	151,037	151,037
<b>Total comprehensive income (expense) for the year</b>	<b>-</b>	<b>-</b>	<b>(139,039)</b>	<b>151,037</b>	<b>-</b>	<b>151,037</b>	<b>11,998</b>
<b>Balance at 31 December 2022</b>	<b>1,413,329</b>	<b>12,271,678</b>	<b>(9,641,448)</b>	<b>433,469</b>	<b>874</b>	<b>434,343</b>	<b>4,477,902</b>

The accompanying notes form an integral part of the financial statements.

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Statement of cash flows

	<b>Consolidated financial statements</b>			
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b><i>Cash flows from operating activities</i></b>				
Profit (loss) for the year	338	(15,671)	34,156	(502,030)
<i>Adjustments to reconcile loss to cash receipts (payments)</i>				
Tax expense	1,585	750	57,685	23,524
Finance costs	3,317	1,629	118,177	51,997
Depreciation	18,726	14,776	663,401	472,276
Amortisation	-	13	-	400
(Reversal of) expected credit loss	(505)	688	(18,381)	22,590
Unrealised gain on exchange	(812)	(5,075)	(24,153)	(159,310)
Gain from revaluation of trading securities	-	(3)	-	(148)
Gain from sale of trading securities	(2)	(132)	(73)	(4,118)
Loss from revaluation of investment in mutual fund	-	129	-	4,306
Gain from sale of investment in mutual fund	(4)	-	(132)	-
Share of profit of joint ventures and associate accounted for using equity method, net of tax	(2,897)	(533)	(100,145)	(18,823)
Gain on liquidation of subsidiary	-	(1,258)	-	(41,990)
Gain on disposal of investment in joint venture	(31)	-	(1,025)	-
Gain on disposals of property, plant and equipment and intangible assets	(85)	(791)	(2,824)	(24,407)
Interest income	(126)	(14)	(4,571)	(441)
Provision for employee benefits	517	397	17,963	12,600
Loss from write-off non-refundable withholding tax	501	508	17,718	16,419
	<u>20,522</u>	<u>(4,587)</u>	<u>757,796</u>	<u>(147,155)</u>
<i>Changes in operating assets and liabilities</i>				
Restricted deposit at financial institutions	(218)	1,006	(7,535)	33,620
Trade and other current receivables	415	(20,204)	14,343	(675,215)
Supplies and spare parts	(601)	8	(20,772)	267
Other non-current assets	(6)	1	(207)	33
Trade and other current payables	10,988	21,574	379,772	721,000
Exchange rate losses from translating financial statements	-	(1)	-	(33)
Translation adjustments	-	-	(36,557)	117,528
Net cash generated from (used in) operations	<u>31,100</u>	<u>(2,203)</u>	<u>1,086,840</u>	<u>50,045</u>
Provision for employee benefit paid	(153)	(73)	(5,325)	(2,371)
Taxes paid	<u>(2,557)</u>	<u>(580)</u>	<u>(88,608)</u>	<u>(18,080)</u>
<b>Net cash from (used in) operating activities</b>	<b><u>28,390</u></b>	<b><u>(2,856)</u></b>	<b><u>992,907</u></b>	<b><u>29,594</u></b>

The accompanying notes form an integral part of the financial statements.

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Statement of cash flows

	<b>Consolidated financial statements</b>			
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b><i>Cash flows from investing activities</i></b>				
Proceed from sale of current investments	2,880	18,790	99,540	627,960
Acquisition of current investments	-	(11,945)	-	(399,201)
Increase in short-term loan to related party	(1,250)	-	(43,203)	-
Proceeds from long-term loan to related party	1,092	-	37,742	-
Increase in long-term loan to related party	-	(1,140)	-	(38,099)
Proceeds from sale of property, plant and equipment and intangible assets	2,087	2,275	72,131	76,030
Acquisition of property, plant and equipment and intangible assets	(14,931)	(24,638)	(516,051)	(823,399)
Proceeds from sale of interest in joint venture	31	-	1,071	-
Acquisition of interest in joint venture	-	(2,557)	-	(85,455)
Interest received	105	14	3,629	468
<b>Net cash used in investing activities</b>	<b>(9,986)</b>	<b>(19,201)</b>	<b>(345,141)</b>	<b>(641,696)</b>
<b><i>Cash flows from financing activities</i></b>				
Proceeds from borrowings from financial institution	-	4,492	-	150,122
Repayment of borrowings from financial institution	(14,272)	(15,268)	(493,275)	(510,255)
Proceeds from short-term borrowing from parent company	4,000	-	138,250	-
Proceeds from long-term borrowing from parent company	-	5,000	-	167,100
Payment of lease liabilities	(5,454)	(228)	(188,503)	(7,620)
Interest paid	(2,208)	(1,569)	(77,886)	(50,056)
<b>Net cash used in financing activities</b>	<b>(17,934)</b>	<b>(7,573)</b>	<b>(621,414)</b>	<b>(250,709)</b>
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	470	(29,630)	26,352	(862,811)
Effect of exchange rates changes on cash and cash equivalents	(652)	(143)	(23,522)	(4,479)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(182)</b>	<b>(29,773)</b>	<b>2,830</b>	<b>(867,290)</b>
Cash and cash equivalents at 1 January	7,983	37,756	266,791	1,134,081
<b>Cash and cash equivalents at 31 December</b>	<b>7,801</b>	<b>7,983</b>	<b>269,621</b>	<b>266,791</b>
<b><i>Non-cash transactions</i></b>				
Acquisition of interest in joint venture	15	136	518	4,545
Receivable for sales of support vessel	-	16,000	-	534,718
Payables for purchase of property, plant and equipment	813	551	28,099	18,414
Lease agreements for purchase of equipment	34,071	-	1,177,576	-
Dividend receivable from joint venture	1,330	-	45,968	-

The accompanying notes form an integral part of the financial statements.

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Statement of cash flows

	Separate financial statements			
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b><i>Cash flows from operating activities</i></b>				
Loss for the year	(4,070)	(27,937)	(139,039)	(908,328)
<i>Adjustments to reconcile loss to cash receipts (payments)</i>				
Tax expense (income)	(2)	1	(73)	(149)
Finance costs	383	-	13,449	-
Depreciation	333	376	11,659	12,016
Amortization	-	5	-	158
Unrealised (gain) loss on exchange	1,887	5,453	62,883	167,739
Impairment loss	-	21,936	-	722,087
Gain from revaluation of trading securities	-	-	-	(28)
(Gain) loss from sale of trading securities	(2)	37	(73)	1,220
Gain on disposal of property, plant and equipment	-	(3)	-	(94)
Interest income	(895)	(952)	(31,366)	(30,423)
Provision for employee benefits	45	41	1,574	1,321
Loss from write-off non-refundable withholding tax	55	-	1,892	-
	<u>(2,266)</u>	<u>(1,043)</u>	<u>(79,094)</u>	<u>(34,481)</u>
<i>Changes in operating assets and liabilities</i>				
Receivables from related parties	4,564	(5,877)	157,743	(196,409)
Other accounts receivable	-	5	-	167
Other non-current assets	(10,127)	(17,473)	(350,013)	(583,946)
Other accounts payable	(44)	(17)	(1,520)	(568)
Translation adjustments	-	-	7,238	88,058
Net cash used in operations	<u>(7,873)</u>	<u>(24,405)</u>	<u>(265,646)</u>	<u>(727,179)</u>
Provision for employee benefit paid	(4)	(6)	(146)	(200)
Taxes paid	(6)	(7)	(288)	(224)
<b>Net cash used in operating activities</b>	<b><u>(7,883)</u></b>	<b><u>(24,418)</u></b>	<b><u>(266,080)</u></b>	<b><u>(727,603)</u></b>
<b><i>Cash flows from investing activities</i></b>				
Proceeds from sale of current investments	2	8,907	69	297,671
Acquisition of current investments	-	(8,945)	-	(298,941)
Increase in short-term loans to related party	(1,955)	-	(67,569)	-
Proceeds from long-term loan to related party	1,107	-	38,261	-
Increase in long-term loans to related party	-	(1,140)	-	(38,099)
Proceeds from sale of property, plant and equipment	-	3	-	100
Acquisition of property, plant and equipment	(34)	(11)	(1,175)	(368)
Acquisition of interest in subsidiaries	-	(8)	-	(267)
Interest received	12	2	415	67
<b>Net cash used in investing activities</b>	<b><u>(868)</u></b>	<b><u>(1,192)</u></b>	<b><u>(29,999)</u></b>	<b><u>(39,837)</u></b>

The accompanying notes form an integral part of the financial statements.

## Mermaid Maritime Public Company Limited and its Subsidiaries

### Statement of cash flows

	<b>Separate financial statements</b>			
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b><i>Cash flows from financing activities</i></b>				
Proceeds from short-term borrowing from parent company	4,000	-	138,250	-
Proceeds from long-term borrowing from parent company	-	5,000	-	167,100
Payment of lease liabilities	(162)	(225)	(5,599)	(7,519)
Finance costs paid	(274)	-	(9,781)	-
<b>Net cash from financing activities</b>	<b>3,564</b>	<b>4,775</b>	<b>122,870</b>	<b>159,581</b>
Net decrease in cash and cash equivalents, before effect of exchange rates	(5,187)	(20,835)	(173,209)	(607,859)
Effects of exchange rate changes on cash and cash equivalents	(27)	26	(922)	810
<b>Net decrease in cash and cash equivalents</b>	<b>(5,214)</b>	<b>(20,809)</b>	<b>(174,131)</b>	<b>(607,049)</b>
Cash and cash equivalents at 1 January	5,319	26,128	177,760	784,809
<b>Cash and cash equivalents at 31 December</b>	<b>105</b>	<b>5,319</b>	<b>3,629</b>	<b>177,760</b>
<b><i>Non-cash transactions</i></b>				
Payables for purchase of property, plant and equipment	2	-	69	-
Lease agreements for purchase of equipment	199	199	6,878	6,651

The accompanying notes form an integral part of the financial statements.

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

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

## **Notes to the financial statements**

### **For the year ended 31 December 2022**

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 27 February 2023.

#### **1 General information**

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

The parent company during the financial year is Thoresen Thai Agencies Public Company Limited, which is incorporated in 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, ownership and operations of a fleet of offshore service vessels and decommissioning service.

#### **2 Basis of preparation of the financial statements**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions. The accounting policies, described in the notes, have been applied consistently to all periods presented in these financial statements.

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

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

As at 31 December 2022, the Group and the Company has negative working capital of US Dollar 14.4 million and US Dollar 7.9 million, respectively. During the year, the Group has generated net profit of US Dollar 0.3 million. The management have confirmed its intention to continue the operations and the parent company has provided financial assistance to the Company which they will not call upon the borrowings for the next 12 months unless the Company has sufficient funds to meet the outstanding financial obligations to the parent company. Subsequently, the Company received a new borrowing from parent company of US Dollar 7.5 million to be reserved for working capital.

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**3 Related parties**

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that is under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making.

Relationships with parent, subsidiaries, associates and joint ventures are described in notes 1, 7 and 8. Other related parties which the group had significant transaction during the period with were as follows:

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationship</b>
PSM Land Company Limited	Thailand	One of the directors of parent company is a major shareholder
V Ventures Int Pte. Ltd. (formerly Thor Friendship Shipping Pte Ltd.)	Singapore	An indirect subsidiary of parent company
V Ventures Technologies Co., Ltd.	Thailand	A direct subsidiary of parent company
PT Seascope Surveys Indonesia	Indonesia	A subsidiary is a major shareholder, 10% or more shareholding
Key management personnel	Thai	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

***Significant transactions with related parties***  
***Year ended 31 December***

	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
<b>Parent</b>				
Administrative expenses	59	6	2,091	205
Finance costs	367	9	12,871	292
<b>Joint venture</b>				
Rendering of services	65,923	58,478	2,319,441	1,871,234
Other income	426	745	14,869	23,825
Costs of rendering of services	6,627	2,008	223,422	66,992
Administrative expenses	1	-	33	-
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	753	941	26,358	29,960
Post-employment benefits	11	6	364	190
Total key management personnel compensation	<u>764</u>	<u>947</u>	<u>26,722</u>	<u>30,150</u>
<b>Other related parties</b>				
Sales of share capital	31	-	1,094	-
Sales of current investment	2,875	-	101,479	-
Sales of intangible assets	2,056	-	72,571	-
Administrative expenses	54	58	1,889	1,852

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
<b>Parent</b>				
Administrative expenses	45	2	1,584	71
Finance cost	367	9	12,888	292
<b>Subsidiaries</b>				
Management fee income	420	420	14,727	13,430
Interest income	878	951	30,747	30,394
Other income	125	259	4,376	8,083
Administrative expenses	2	-	73	-
<b>Joint Ventures</b>				
Other income	230	210	8,122	6,742
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	753	941	26,358	29,960
Post-employment benefits	11	6	364	190
Total key management personnel compensation	<u>764</u>	<u>947</u>	<u>26,722</u>	<u>30,150</u>
<b>Other related parties</b>				
Administrative expenses	54	57	1,889	1,819
 <i>Balances with related parties</i> <i>At 31 December</i>				
	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
<b>Trade accounts receivable</b>				
Joint ventures	17,250	10,155	596,201	339,379
<b>Total</b>	<u><b>17,250</b></u>	<u><b>10,155</b></u>	<u><b>596,201</b></u>	<u><b>339,379</b></u>
 <b>Other receivables</b>				
Associate	101	65	3,491	2,172
Joint ventures	1,332	16,000	46,037	534,718
Other related party	7,542	7,542	260,670	252,053
	8,975	23,607	310,198	788,943
Less allowance for expected credit loss	(7,542)	(7,542)	(260,670)	(252,053)
<b>Net</b>	<u><b>1,433</b></u>	<u><b>16,065</b></u>	<u><b>49,528</b></u>	<u><b>536,890</b></u>
 <b>Other non-current receivables</b>				
Joint venture	16,000	-	552,998	-
<b>Total</b>	<u><b>16,000</b></u>	<u><b>-</b></u>	<u><b>552,998</b></u>	<u><b>-</b></u>
 <b>Loans to</b>				
Joint venture	1,250	1,082	43,203	36,160
Other related party	18,350	18,350	634,220	613,255
	19,600	19,432	677,423	649,415
Less allowance for expected credit loss	(18,350)	(18,350)	(634,220)	(613,255)
<b>Net</b>	<u><b>1,250</b></u>	<u><b>1,082</b></u>	<u><b>43,203</b></u>	<u><b>36,160</b></u>

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

<i>Balances with related parties</i> <i>At 31 December</i>	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
<b>Trade accounts payable</b>				
Joint venture	903	633	31,210	21,155
Other related party	-	427	-	14,270
<b>Total</b>	<b>903</b>	<b>1,060</b>	<b>31,210</b>	<b>35,425</b>
<b>Other accounts payable</b>				
Parent	135	9	4,666	301
Other related party	617	617	21,325	20,620
<b>Total</b>	<b>752</b>	<b>626</b>	<b>25,991</b>	<b>20,921</b>
<b>Short-term loan from</b>				
Parent	4,000	-	138,250	-
<b>Total</b>	<b>4,000</b>	<b>-</b>	<b>138,250</b>	<b>-</b>
<b>Long-term loan from</b>				
Parent	5,000	5,000	172,812	167,100
<b>Total</b>	<b>5,000</b>	<b>5,000</b>	<b>172,812</b>	<b>167,100</b>

Long-term borrowing for support working capital were granted by parent company and were denominated in US Dollar, having a total outstanding balance of US Dollar 5.0 million as at 31 December 2022 with the repayment terms postponed to June 2023. This borrowing bear interest at the rate 7% per annum.

During 2022, the Company has entered into short-term loan agreement with parent company for support working capital, amounting to US Dollar 4.0 million with interest rate at 7% per annum and the repayment is on call.

### *Significant agreement with related party*

A direct subsidiary entered into Guarantee Agreements with related party to provide the corporate guarantee to the financial institution for the term loan of agreed amount. Under the term of the agreements, the related party agree to pay fees as stipulated in the agreement. The agreement expires when the loan has been fully paid to the financial institution.

<i>Balances with related parties</i> <i>At 31 December</i>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
<b>Other receivables</b>				
Subsidiaries	4,397	9,064	151,971	302,919
Associate	101	65	3,491	2,172
Joint venture	2	-	69	-
	4,500	9,129	155,531	305,091
Less allowance for expected credit loss	(4,247)	(2,809)	(146,787)	(93,876)
<b>Net</b>	<b>253</b>	<b>6,320</b>	<b>8,744</b>	<b>211,215</b>
<b>Other non-current receivables</b>				
Subsidiary	51,966	42,747	1,796,069	1,428,600
Less allowance for expected credit loss	(24,492)	(27,543)	(846,502)	(920,484)
<b>Net</b>	<b>27,474</b>	<b>15,204</b>	<b>949,567</b>	<b>508,116</b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

<i>Balances with related parties</i> <i>At 31 December</i>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021 <i>(in thousand US Dollar)</i>	2022 <i>(in thousand Baht)</i>	2021 <i>(in thousand Baht)</i>
<i>Loans to</i>				
Subsidiaries	59,317	61,489	2,050,137	2,054,956
Joint venture	1,250	-	43,203	-
Less allowance for expected credit loss	(28,685)	(28,693)	(991,422)	(958,917)
<b>Net</b>	<b>31,882</b>	<b>32,796</b>	<b>1,101,918</b>	<b>1,096,039</b>

<i>Expected credit losses</i> <i>Year ended 31 December</i>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021 <i>(in thousand US Dollar)</i>	2022 <i>(in thousand Baht)</i>	2021 <i>(in thousand Baht)</i>
Other non-current receivables	-	21,927	-	721,791

During 2021, the Company set-up partial impairment for other non-current receivables from Mermaid Subsea Services (Thailand) Ltd., a direct subsidiary, and later granted forgiveness amounting to US Dollar 21.9 million.

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

<i>Balances with related parties</i> <i>At 31 December</i>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021 <i>(in thousand US Dollar)</i>	2022 <i>(in thousand Baht)</i>	2021 <i>(in thousand Baht)</i>
<i>Other accounts payable</i>				
Parent	123	9	4,251	301
Subsidiaries	12	55	415	1,838
<b>Total</b>	<b>135</b>	<b>64</b>	<b>4,666</b>	<b>2,139</b>
<i>Short-term loan from</i>				
Parent	4,000	-	138,250	-
<b>Total</b>	<b>4,000</b>	<b>-</b>	<b>138,250</b>	<b>-</b>
<i>Long-term loan from</i>				
Parent	5,000	5,000	172,812	167,100
<b>Total</b>	<b>5,000</b>	<b>5,000</b>	<b>172,812</b>	<b>167,100</b>

#### **4 Cash and cash equivalents**

##### *Accounting policy*

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021 <i>(in thousand US Dollar)</i>	2022 <i>(in thousand Baht)</i>	2021 <i>(in thousand Baht)</i>
Cash on hand	68	79	2,350	2,640
Cash at bank	7,733	7,904	267,271	264,151
<b>Total</b>	<b>7,801</b>	<b>7,983</b>	<b>269,621</b>	<b>266,791</b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
Cash on hand	1	1	35	33
Cash at bank	104	5,318	3,594	177,727
<b>Total</b>	<b>105</b>	<b>5,319</b>	<b>3,629</b>	<b>177,760</b>

## 5 Restricted deposit at financial institutions

### *Accounting policy*

Deposit that have a restriction of use are presented separately in account “Restricted Deposit at financial institution” in the statement of financial position.

### *Consolidated financial statements*

As at 31 December 2022, US Dollar 8.3 million or equivalent to Baht 286.9 million (2021: US Dollar 8.0 million or equivalent to Baht 267.4 million) restricted deposit at a financial institution was pledged against long-term loans with a local financial institution. The restricted deposit must be maintained at a minimum amount of the next two principal and interest.

As at 31 December 2022, US Dollar 0.1 million or equivalent to Baht 3.6 million (2021: US Dollar 0.2 million or equivalent to Baht 6.7 million) restricted deposit at financial institutions were deposited by subsidiaries to secure the performance guarantee from the financial institution.

## 6 Trade accounts receivable

### *Accounting policy*

A trade accounts receivable is recognised when the Group has an unconditional right to receive consideration. A trade accounts receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

<i>At 31 December</i>	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
Within credit terms	23,139	15,731	799,739	525,728
Overdue:				
Less than 3 months	7,337	17,227	253,584	575,725
3-6 months	1,582	5,768	54,678	192,766
6-12 months	1,005	1,310	34,735	43,780
Over 12 months	531	3,620	18,353	120,980
	<b>33,594</b>	<b>43,656</b>	<b>1,161,089</b>	<b>1,458,979</b>
Less allowance for expected credit loss	(605)	(4,032)	(20,910)	(134,749)
<b>Net</b>	<b>32,989</b>	<b>39,624</b>	<b>1,140,179</b>	<b>1,324,230</b>
Contract asset - accrued income	14,927	7,679	515,913	256,631
Retention receivables	7,619	6,513	263,331	217,664
<b>Total</b>	<b>55,535</b>	<b>53,816</b>	<b>1,919,423</b>	<b>1,798,525</b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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<i>Allowance for expected credit loss</i>	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
At 1 January	4,032	3,344	134,749	100,444
Addition	541	885	18,930	28,894
Reversal	(1,046)	(197)	(37,576)	(6,303)
Write-off	(2,922)	-	(102,551)	-
Translation adjustments	-	-	7,358	11,714
<b>At 31 December</b>	<b>605</b>	<b>4,032</b>	<b>20,910</b>	<b>134,749</b>

Information of credit risk is disclosed in note 18 (b.1).

## **7 Investment in associate and joint ventures**

### ***Accounting policy***

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

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

Investments in associates and joint ventures in the separate financial statements are measured at cost less allowance for impairment losses. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

The Group translated the financial statements of foreign associates and joint ventures and considers impairment on investments in associates and joint ventures as disclosed in note 8 and 10, respectively.

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

		<b>Consolidated financial statements</b>								
	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity	
			2022	2021	2022	2021	2022	2021	2022	2021
			(%)				(in thousand US Dollar)			
<b>Associate</b>										
<i>Direct associate</i>										
PTGC Co., Ltd.	Real estate	Cambodia	49.00	49.00	USD 19 million	USD 19 million	22,507	22,507	22,381	22,397
<b>Total</b>							<b>22,507</b>	<b>22,507</b>	<b>22,381</b>	<b>22,397</b>
<b>Joint ventures</b>										
<i>Direct 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	SAR 2 million	SAR 2 million	213	213	1,673	1,639
<i>Indirect joint ventures</i>										
ZeaQuest Co., Ltd.	Robotics and artificial intelligence developer and commercial subsea engineering service provider	Thailand	50.00	50.00	THB 155 million	THB 155 million	2,577	2,577	564	1,505
KK Venture Co., Ltd.	Technology-based businesses	Thailand	-	50.00	-	THB 1 million	-	16	-	-
Millennium 3 Ship Management and Operations DMCCO	Vessels management and operation	United Arab Emirates	50.00	50.00	AED 1 million	AED 1 million	136	136	3,882	1,377
<b>Total</b>							<b>2,926</b>	<b>2,942</b>	<b>6,119</b>	<b>4,521</b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
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<b>Consolidated financial statements</b>										
	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity	
			2022	2021	2022	2021	2022	2021	2022	2021
			(%)						(in thousand Baht)	
<b>Associate</b>										
<i>Direct associate</i>										
PTGC Co., Ltd.	Real estate	Cambodia	49.00	49.00	USD 19 million	USD 19 million	777,896	752,182	773,541	748,506
<b>Total</b>							<b>777,896</b>	<b>752,812</b>	<b>773,541</b>	<b>748,506</b>
<b>Joint ventures</b>										
<i>Direct 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	SAR 2 million	SAR 2 million	7,362	7,118	57,823	54,775
<i>Indirect joint venture</i>										
ZeaQuest Co., Ltd.	Robotics and artificial intelligence developer and commercial subsea engineering service provider	Thailand	50.00	50.00	THB 155 million	THB 155 million	89,067	86,123	19,493	50,297
KK Venture Co., Ltd.	Technology-based businesses	Thailand	-	50.00	-	THB 1 million	-	535	-	-
Millennium 3 Ship Management and Operations DMCCO	Vessels management and operation	United Arab Emirates	50.00	50.00	AED 1 million	AED 1 million	4,700	4,545	134,171	46,019
<b>Total</b>							<b>101,129</b>	<b>98,321</b>	<b>211,487</b>	<b>151,091</b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
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	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost	
			2022	2021	2022	2021	2022	2021
			(%)				<i>(in thousand US Dollar)</i>	
<b>Associate</b>								
PTGC Co., Ltd.	Real estate	Cambodia	49.00	49.00	USD 19 million	USD 19 million	22,507	22,507
<b>Total</b>							<b>22,507</b>	<b>22,507</b>
<b>Joint venture</b>								
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
<b>Total</b>							<b>213</b>	<b>213</b>

	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost	
			2022	2021	2022	2021	2022	2021
			(%)				<i>(in thousand Baht)</i>	
<b>Associate</b>								
PTGC Co., Ltd.	Real estate	Cambodia	49.00	49.00	USD 19 million	USD 19 million	777,896	752,182
<b>Total</b>							<b>777,896</b>	<b>752,182</b>
<b>Joint venture</b>								
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	7,362	7,118
<b>Total</b>							<b>7,362</b>	<b>7,118</b>

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

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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<i>Material movement for the year ended 31 December</i>	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
<b>Joint ventures</b>				
Increase capital in ZeaQuest Co., Ltd.	-	2,542	-	84,953
Increase capital in KK Venture Co., Ltd.	15	16	518	535
Increase capital in Millennium 3 Ship Management and Operations DMCCO	-	136	-	4,545
Disposal of investment in KK Venture Co., Ltd.	(31)	-	(1,071)	-

*Increase in share capital of joint ventures*

At the Extraordinary General Meeting of shareholders of ZeaQuest Co., Ltd., (“ZeaQuest”), held on 30 December 2020, the shareholders approved to increase the share capital of ZeaQuest by Baht 150.0 million through the issuance of 1,500,000 new ordinary shares with a par value of Baht 100 each which were registered on 11 January 2021 with Department of Business Development. The shares were 43.88% paid up by the existing shareholders in proportion to their shareholdings. Subsequently, on 25 February 2021, ZeaQuest additionally called for the remaining share subscriptions at Baht 56.12 per share, totalling Baht 43.5 million.

At the Extraordinary General Meeting of shareholders of KK Venture Co., Ltd. (“KKV”), held on 31 January 2022, the shareholders approved to increase the share capital of KKV by Baht 1.0 million through the issuance of 10,000 new ordinary shares with a par value of Baht 100 each which were registered on 10 February 2022 with Department of Business Development. The shares were fully paid up by the existing shareholders in proportion to their shareholdings. Mermaid Ventures Co., Ltd. (“MMV”), a direct subsidiary, acquired 50% of the increase share by offsetting its loans to KKV as consideration payment.

*New joint ventures*

On 2 July 2021, Mermaid-MOE JV Co., Ltd., an indirect subsidiary, has entered into shares sale and purchase agreement with Fico Corporation Company Limited in order to the purchase of 50% of the total issued shares in KK Venture Co., Ltd. (“KKV”), which incorporated in Thailand. As a result, KKV became an indirect joint venture of the Company. The main business of KKV is to own and operate technology-based businesses.

On 8 July 2021, Mermaid Subsea Oil and Gas Services DMCEST (“MSOGS”), an indirect subsidiary, has invested into 50% of the total issued shares in Millennium 3 Ship Management and Operations DMCCO (“M3JV”), which incorporated in Dubai, United Arab Emirates. As a result, M3JV became an indirect joint venture of the Company. The main business of M3JV is to manage and operate vessels.

*Disposal of investment in joint venture*

On 1 March 2022, MMV entered into a share sale and purchase agreement in relation to shares of KK Venture Co., Ltd. (“KKV’s shares”). MMV agreed to sell all of KKV’s shares to V Ventures Technologies Co., Ltd., a related party, for a consideration of Baht 1.0 million in cash which fully received in March 2022. As a result, KKV was no longer a joint venture of the Group as at 31 December 2022.

*Material associate and joint ventures*

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

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<b>Millennium 3 Ship Management and Operations</b>				
<b>DMCCO</b>				
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Revenue	13,243	5,614	464,466	204,242
Profit from continuing operations	7,670	2,482	266,379	90,297
Total comprehensive income (100%)	<u>7,670</u>	<u>2,482</u>	<u>266,379</u>	<u>90,297</u>
<b>Group's share of total comprehensive income</b>	<b><u>3,835</u></b>	<b><u>1,241</u></b>	<b><u>133,190</u></b>	<b><u>45,149</u></b>
Dividend income from joint ventures for the year	1,330	-	48,486	-
Current assets	16,531	5,707	571,351	190,727
Non-current assets	30,020	31,600	1,037,563	1,056,069
Current liabilities	(38,787)	(34,554)	(1,340,572)	(1,154,791)
Non-current liabilities	-	-	-	-
Net assets (100%)	<u>7,764</u>	<u>2,753</u>	<u>268,342</u>	<u>92,005</u>
Group's share of net assets (% hold)	<u>3,882</u>	<u>1,377</u>	<u>134,171</u>	<u>46,019</u>
<b>Carrying amount of investment in joint venture</b>	<b><u>3,882</u></b>	<b><u>1,377</u></b>	<b><u>134,171</u></b>	<b><u>46,019</u></b>

<b>Zeaquest Co., Ltd.</b>				
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Revenue	20,388	2,264	716,224	75,448
Loss from continuing operations	(1,920)	(1,523)	(67,800)	(48,538)
Total comprehensive expense (100%)	<u>(1,920)</u>	<u>(1,523)</u>	<u>(648,424)</u>	<u>(48,538)</u>
<b>Group's share of total comprehensive expense</b>	<b><u>(960)</u></b>	<b><u>(762)</u></b>	<b><u>(648,424)</u></b>	<b><u>(24,269)</u></b>
Current assets	8,419	3,644	290,981	121,782
Non-current assets	2,259	2,211	78,076	73,891
Current liabilities	(9,057)	(2,315)	(313,032)	(77,367)
Non-current liabilities	-	-	-	-
Net assets (100%)	<u>1,621</u>	<u>3,540</u>	<u>56,025</u>	<u>118,306</u>
Group's share of net assets (% hold)	811	1,770	28,030	59,153
Elimination of unrealised profit on sale equipment	(247)	(265)	(8,537)	(8,856)
<b>Carrying amount of investment in joint venture</b>	<b><u>564</u></b>	<b><u>1,505</u></b>	<b><u>19,493</u></b>	<b><u>50,297</u></b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

	<b>PTGC Co., Ltd.</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
Loss from continuing operations	(29)	(20)	(661)	(663)
Total comprehensive expense (100%)	(29)	(20)	(661)	(663)
<b>Group's share of total comprehensive expense</b>	<b>(14)</b>	<b>(10)</b>	<b>(324)</b>	<b>(325)</b>
Current assets	8	5	276	167
Non-current assets	19,360	19,360	669,128	647,009
Current liabilities	-	(65)	-	(2,172)
Non-current liabilities	(101)	-	(3,491)	-
Net assets (100%)	19,267	19,300	665,913	645,004
Group's share of net assets (% hold)	9,442	9,458	326,338	316,086
Goodwill	12,939	12,939	447,203	432,420
<b>Carrying amount of investment in associate</b>	<b>22,381</b>	<b>22,397</b>	<b>773,541</b>	<b>748,506</b>

## **8 Investments in subsidiaries**

### *Accounting policy*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

### *Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates at the reporting date. The revenues and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated at rates approximating the exchange rates at the dates of the transactions. Foreign exchange differences are recognised in other comprehensive income, except to the extent that the translation difference is allocated to non-controlling interests. Foreign exchange differences are accumulated in the translation reserve until disposal of the investment.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

Investments in subsidiaries in the separate financial statements are measured at cost less allowance for impairment losses. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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Name of subsidiary	Ownership interest		Paid - up capital		Cost		Separate financial statements Impairment		At cost – net	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<i>Direct subsidiaries</i>										
Mermaid Subsea Services (Thailand) Ltd.	100.00	100.00	THB 2,130 million	THB 2,130 million	153,485	153,485	(98,123)	(98,123)	55,362	55,362
Mermaid Drilling Ltd.	95.00	95.00	THB 410 million	THB 410 million	14,074	14,074	(14,074)	(14,074)	-	-
Mermaid Maritime Mauritius Ltd.	100.00	100.00	USD 1	USD 1	-	-	-	-	-	-
Mermaid Ventures Co., Ltd. (formerly Mermaid-MOE JV Co., Ltd.)	100.00	100.00	THB 250 thousand	THB 250 thousand	8	8	-	-	8	8
<b>Total</b>					<b>167,567</b>	<b>167,567</b>	<b>(112,197)</b>	<b>(112,197)</b>	<b>55,370</b>	<b>55,370</b>
<i>Indirect subsidiaries</i>										
Seascope Surveys Pte. Ltd.	100.00	100.00	SGD 100	SGD 100	14,268	14,268	(14,268)	(14,268)	-	-
Mermaid Subsea Services (Malaysia) Sdn. Bhd. <sup>(1)</sup>	45.00	45.00	MYR 550 thousand	MYR 550 thousand	139	139	-	-	139	139
Mermaid Subsea Services (UK) Ltd.	100.00	100.00	GBP 100 thousand	GBP 100 thousand	130	130	-	-	130	130
Mermaid Subsea Oil and Gas Services DMCEST	100.00	100.00	AED 1 million	AED 1 million	274	274	-	-	274	274
Mermaid Decom Co., Ltd.	100.00	-	THB 250 thousand	-	8	-	-	-	8	-
Mermaid Offshore Services Pte. Ltd.	100.00	100.00	USD 20,400 Thousand	USD 20,400 thousand	20,400	20,400	(20,400)	(20,400)	-	-
MTR - 2 Ltd.	-	95.00	-	THB 268 million	-	5,661	-	(5,661)	-	-
Mermaid International Ventures	100.00	100.00	USD 100	USD 100	-	-	-	-	-	-
Mermaid Subsea Services (International) Ltd.	100.00	100.00	USD 1	USD 1	7,586	7,586	-	-	7,586	7,586
Mermaid Subsea Services Saudi Arabia Co., Ltd.	95.00	95.00	SAR 500 thousand	SAR 500 thousand	386	386	-	-	386	386
Mermaid Subsea Services LLC <sup>(1)</sup>	49.00	49.00	QAR 200 thousand	QAR 200 thousand	55	55	-	-	55	55
<b>Total</b>					<b>43,246</b>	<b>48,899</b>	<b>(34,668)</b>	<b>(40,329)</b>	<b>8,578</b>	<b>8,570</b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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Name of subsidiary	Ownership interest		Paid - up capital		Cost		Separate financial statements Impairment		At cost – net	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<i><b>Direct subsidiaries</b></i>										
Mermaid Subsea Services (Thailand) Ltd.	100.00	100.00	THB 2,130 million	THB 2,130 million	5,304,810	5,129,454	(3,391,366)	(3,279,261)	1,913,444	1,850,193
Mermaid Drilling Ltd.	95.00	95.00	THB 410 million	THB 410 million	486,431	470,352	(486,431)	(470,352)	-	-
Mermaid Maritime Mauritius Ltd.	100.00	100.00	USD 1	USD 1	-	-	-	-	-	-
Mermaid Ventures Co., Ltd. (formerly Mermaid-MOE JV Co., Ltd.)	100.00	100.00	THB 250 thousand	THB 250 thousand	276	267	-	-	276	267
<b>Total</b>					<b>5,791,517</b>	<b>5,600,073</b>	<b>(3,877,797)</b>	<b>(3,749,613)</b>	<b>1,913,720</b>	<b>1,850,460</b>
<i><b>Indirect subsidiaries</b></i>										
Seascope Surveys Pte. Ltd.	100.00	100.00	SGD 100	SGD 100	493,136	476,835	(493,136)	(476,835)	-	-
Mermaid Subsea Services (Malaysia) Sdn. Bhd. <sup>(1)</sup>	45.00	45.00	MYR 550 thousand	MYR 550 thousand	4,804	4,645	-	-	4,804	4,645
Mermaid Subsea Services (UK) Ltd.	100.00	100.00	GBP 100 thousand	GBP 100 thousand	4,493	4,345	-	-	4,493	4,345
Mermaid Subsea Oil and Gas Services DMCEST	100.00	100.00	AED 1 million	AED 1 million	9,470	9,157	-	-	9,470	9,157
Mermaid Decom Co., Ltd.	100.00	-	THB 250 thousand	-	276	-	-	-	276	-
Mermaid Offshore Services Pte. Ltd.	100.00	100.00	USD 20,400 thousand	USD 20,400 thousand	705,073	681,766	(705,073)	(681,766)	-	-
MTR - 2 Ltd.	-	95.00	-	THB 268 million	-	189,190	-	(189,910)	-	-
Mermaid International Ventures	100.00	100.00	USD 100	USD 100	3	3	-	-	3	3
Mermaid Subsea Services (International) Ltd.	100.00	100.00	USD 1	USD 1	262,190	253,523	-	-	262,190	253,523
Mermaid Subsea Services Saudi Arabia Co., Ltd.	95.00	95.00	SAR 500 thousand	SAR 500 thousand	13,341	12,900	-	-	13,341	12,900
Mermaid Subsea Services LLC <sup>(1)</sup>	49.00	49.00	QAR 200 thousand	QAR 200 thousand	1,901	1,838	-	-	1,901	1,838
<b>Total</b>					<b>1,494,687</b>	<b>1,634,202</b>	<b>(1,198,209)</b>	<b>(1,347,791)</b>	<b>296,478</b>	<b>286,411</b>

(1) Group interest is 100% after taking account of nominee holdings.

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

<i>Material movement</i> <i>Year ended 31 December</i>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
Increase capital in Mermaid Decom Co., Ltd.	8	-	276	-
Increase capital in Mermaid Venture Co., Ltd.	-	8	-	267

### *Share transferred under common control transaction*

On 15 July 2021, Mermaid Subsea Services (Thailand) Limited (“MSST”), a direct subsidiary agreed to transfer the investment in subsidiary, Mermaid-MOE JV Co., Ltd. (“MOE”), to the Company, at cost of Baht 0.3 million for consideration received of Baht 0.3 million. As a result, MOE became a direct subsidiary of the Company.

### *Change the name of a subsidiary*

On 10 August 2021, Mermaid-MOE JV Co., Ltd., a direct subsidiary, registered with the Ministry of Commerce to change the subsidiary's name from "Mermaid-MOE JV Co., Ltd." to “Mermaid Ventures Co., Ltd.”.

### *New indirect subsidiary*

On 23 February 2022, Mermaid Subsea Services (Thailand) Limited (“MSST”), a direct subsidiary, has fully invested into Mermaid Decom Co., Ltd. (“DCOM”), which incorporated in Thailand. As a result, DCOM became an indirect subsidiary of the Company. The main business of DCOM is to provide decommissioning services.

### *Liquidation of subsidiary*

On 16 December 2022, MTR-2 Ltd., an indirect subsidiary, was liquidated.

## 9 Investment properties

### *Accounting policy*

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed assets includes capitalised borrowing costs.

Depreciation is calculated on a straight-line basis over the estimated useful lives of buildings and improvement of 10 and 20 years and recognised in profit or loss. No depreciation is charged on freehold land and assets under construction.

	<b>Consolidated financial statements</b>		
	Land	Buildings	Total
	<i>(in thousand US Dollar)</i>		
<b>Cost</b>			
At 1 January 2021	248	1,271	1,519
<b>At 31 December 2021 and at 1 January 2022</b>	<b>248</b>	<b>1,271</b>	<b>1,519</b>
<b>At 31 December 2022</b>	<b>248</b>	<b>1,271</b>	<b>1,519</b>
<b>Depreciation</b>			
At 1 January 2021	-	1,027	1,027
Depreciation charge for the year	-	43	43
<b>At 31 December 2021 and at 1 January 2022</b>	<b>-</b>	<b>1,070</b>	<b>1,070</b>
Depreciation charge for the year	-	43	43
<b>At 31 December 2022</b>	<b>-</b>	<b>1,113</b>	<b>1,113</b>

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

<b>Consolidated financial statements</b>				
	Land	Buildings	Total	
	<i>(in thousand US Dollar)</i>			
<b>Net book value</b>				
At 31 December 2021	<u>248</u>	<u>201</u>	<u>449</u>	
At 31 December 2022	<u>248</u>	<u>158</u>	<u>406</u>	
<b>Consolidated financial statements</b>				
	Land	Buildings	Total	
	<i>(in thousand Baht)</i>			
<b>Cost</b>				
At 1 January 2021	7,449	38,177	45,626	
Translation adjustments	839	4,300	5,139	
<b>At 31 December 2021 and at 1 January 2022</b>	<u>8,288</u>	<u>42,477</u>	<u>50,765</u>	
Translation adjustments	283	1,452	1,735	
<b>At 31 December 2022</b>	<u>8,571</u>	<u>43,929</u>	<u>52,500</u>	
<b>Depreciation</b>				
At 1 January 2021	-	30,848	30,848	
Depreciation charge for the year	-	1,375	1,375	
Translation adjustments	-	3,536	3,536	
<b>At 31 December 2021 and at 1 January 2022</b>	<u>-</u>	<u>35,759</u>	<u>35,759</u>	
Depreciation charge for the year	-	1,506	1,506	
Translation adjustments	-	1,203	1,203	
<b>At 31 December 2022</b>	<u>-</u>	<u>38,468</u>	<u>38,468</u>	
<b>Net book value</b>				
At 31 December 2021	<u>8,288</u>	<u>6,718</u>	<u>15,006</u>	
At 31 December 2022	<u>8,571</u>	<u>5,461</u>	<u>14,032</u>	
<b>Consolidated financial statements</b>				
<b>Year ended 31 December</b>	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b>Amounts recognised in profit or loss</b>				
Office service fee	150	138	5,259	4,463
<b>Separate financial statements</b>				
	Land	Buildings	Buildings	Total
	<i>(in thousand US Dollar)</i>			
<b>Cost</b>				
At 1 January 2021	838	4,390	160	5,388
<b>At 31 December 2021 and at 1 January 2022</b>	<u>838</u>	<u>4,390</u>	<u>160</u>	<u>5,388</u>
<b>At 31 December 2022</b>	<u>838</u>	<u>4,390</u>	<u>160</u>	<u>5,388</u>
<b>Depreciation</b>				
At 1 January 2021	-	3,576	158	3,734
Depreciation charge for the year	-	159	-	159
<b>At 31 December 2021 and at 1 January 2022</b>	<u>-</u>	<u>3,735</u>	<u>158</u>	<u>3,893</u>
Depreciation charge for the year	-	159	-	159
<b>At 31 December 2022</b>	<u>-</u>	<u>3,894</u>	<u>158</u>	<u>4,052</u>
<b>Net book value</b>				
At 31 December 2021	<u>838</u>	<u>655</u>	<u>2</u>	<u>1,495</u>
At 31 December 2022	<u>838</u>	<u>496</u>	<u>2</u>	<u>1,336</u>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

	Separate financial statements			
	Land	Buildings	Buildings improvement	Total
	<i>(in thousand Baht)</i>			
<b>Cost</b>				
At 1 January 2021	25,171	131,863	4,806	161,840
Translation adjustments	2,835	14,850	541	18,226
<b>At 31 December 2021 and at 1 January 2022</b>	<b>28,006</b>	<b>146,713</b>	<b>5,347</b>	<b>180,066</b>
Translation adjustments	957	5,016	183	6,156
<b>At 31 December 2022</b>	<b>28,963</b>	<b>151,729</b>	<b>5,530</b>	<b>186,222</b>
<b>Depreciation</b>				
At 1 January 2021	-	107,413	4,746	112,159
Depreciation charge for the year	-	5,087	-	5,087
Translation adjustments	-	12,323	534	12,857
<b>At 31 December 2021 and at 1 January 2022</b>	<b>-</b>	<b>124,823</b>	<b>5,280</b>	<b>130,103</b>
Depreciation charge for the year	-	5,576	-	5,576
Translation adjustments	-	4,187	181	4,368
<b>At 31 December 2022</b>	<b>-</b>	<b>134,586</b>	<b>5,461</b>	<b>140,047</b>
<b>Net book value</b>				
<b>At 31 December 2021</b>	<b>28,006</b>	<b>21,890</b>	<b>67</b>	<b>49,963</b>
<b>At 31 December 2022</b>	<b>28,963</b>	<b>17,143</b>	<b>69</b>	<b>46,175</b>

	Separate financial statements			
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b>Amounts recognised in profit or loss</b>				
Office service fee	275	275	9,636	8,835

The fair value of investment properties as at 31 December 2022 of US Dollar 2.0 million or equivalent to Baht 68.0 million (2021: US Dollar 2.1 million or equivalent to Baht 68.8 million) and US Dollar 5.3 million or equivalent to Baht 183.0 million (2021: US Dollar 5.6 million or equivalent to Baht 186.3 million) in the consolidated and separate financial statements, respectively, were determined by independent professional valuer, at open market values on an existing use basis. The fair value of investment property has been categorised as a Level 3 fair value.

## **10 Property, plant and equipment**

### **Accounting policy**

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2022

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

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land or assets under construction.

The estimated useful lives are as follows:

Buildings and building improvement	10 and 20	years
Offshore support vessels	5 to 30	years
Motor launches	10	years
Dry-docking	2.5 and 5	years
Tools and equipment	3 to 20	years
Office equipment	3 to 5	years
Motor vehicles	5 to 10	years

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

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

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

#### *Impairment losses*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss of asset recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount, but only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

The recoverable amount is assessed from the estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

	Land	Buildings	Building improve- ment	Tools and equipment	Office equipment	Motor vehicles	Offshore support vessels	Dry- docking	Motor launches	Construction in progress	Total
<i>(in thousand US Dollar)</i>											
<b>Cost</b>											
At 1 January 2021	590	3,240	1,588	79,812	2,729	1,258	295,868	29,164	3,172	1,310	418,731
Additions	-	-	1	4,095	217	45	-	221	-	700	5,279
Disposals	-	-	-	(3,760)	(17)	(16)	(29,500)	(1,841)	-	(1,310)	(36,444)
<b>At 31 December 2021 and 1 January 2022</b>	<b>590</b>	<b>3,240</b>	<b>1,589</b>	<b>80,147</b>	<b>2,929</b>	<b>1,287</b>	<b>266,368</b>	<b>27,544</b>	<b>3,172</b>	<b>700</b>	<b>387,566</b>
Additions	-	-	783	3,217	163	27	-	-	9	10,994	15,193
Transfer	-	-	-	5,819	-	-	4,739	-	-	(10,558)	-
Disposals	-	-	-	(5,335)	(10)	(121)	-	-	-	-	(5,466)
<b>At 31 December 2022</b>	<b>590</b>	<b>3,240</b>	<b>2,372</b>	<b>83,848</b>	<b>3,082</b>	<b>1,193</b>	<b>271,107</b>	<b>27,544</b>	<b>3,181</b>	<b>1,136</b>	<b>397,293</b>
<b>Depreciation</b>											
At 1 January 2021	-	(2,643)	(1,529)	(63,078)	(2,571)	(1,156)	(134,331)	(15,824)	(1,660)	-	(222,792)
Depreciation charge for the year	-	(122)	(20)	(2,804)	(131)	(87)	(6,702)	(4,564)	(112)	-	(14,542)
Disposals	-	-	-	2,276	16	16	8,996	1,372	-	-	12,676
<b>At 31 December 2021 and 1 January 2022</b>	<b>-</b>	<b>(2,765)</b>	<b>(1,549)</b>	<b>(63,606)</b>	<b>(2,686)</b>	<b>(1,227)</b>	<b>(132,037)</b>	<b>(19,016)</b>	<b>(1,772)</b>	<b>-</b>	<b>(224,658)</b>
Depreciation charge for the year	-	(122)	(110)	(3,763)	(135)	(23)	(6,907)	(2,595)	(99)	-	(13,754)
Disposals	-	-	-	3,526	9	121	-	-	-	-	3,656
<b>At 31 December 2022</b>	<b>-</b>	<b>(2,887)</b>	<b>(1,659)</b>	<b>(63,843)</b>	<b>(2,812)</b>	<b>(1,129)</b>	<b>(138,944)</b>	<b>(21,611)</b>	<b>(1,871)</b>	<b>-</b>	<b>(234,756)</b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles	Offshore support vessels	Dry- docking	Motor launches	Construction in progress	Total
<i>(in thousand US Dollar)</i>											
<b>Impairment losses</b>											
At 1 January 2021	-	-	-	(5,417)	-	-	(44,236)	(1,785)	-	(1,310)	(52,748)
Disposals	-	-	-	745	-	-	20,073	469	-	1,310	22,597
<b>At 31 December 2021</b>											
and 1 January 2022	-	-	-	(4,672)	-	-	(24,163)	(1,316)	-	-	(30,151)
Disposals	-	-	-	1,809	-	-	-	-	-	-	1,809
<b>At 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,863)</b>	<b>-</b>	<b>-</b>	<b>(24,163)</b>	<b>(1,316)</b>	<b>-</b>	<b>-</b>	<b>(28,342)</b>
<b>Net book value</b>											
At 31 December 2021	<u>590</u>	<u>475</u>	<u>40</u>	<u>11,869</u>	<u>243</u>	<u>60</u>	<u>110,168</u>	<u>7,212</u>	<u>1,400</u>	<u>700</u>	<u>132,757</u>
At 31 December 2022	<u>590</u>	<u>353</u>	<u>713</u>	<u>17,142</u>	<u>270</u>	<u>64</u>	<u>108,000</u>	<u>4,617</u>	<u>1,310</u>	<u>1,136</u>	<u>134,195</u>

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	Land	Buildings	Building improve- ment	Tools and equipment	Office equipment	Motor vehicles <i>(in thousand Baht)</i>	Offshore support vessels	Dry- docking	Motor launches	Construction in progress	Total
<b>Cost</b>											
At 1 January 2021	17,722	97,320	47,699	2,397,321	81,971	37,787	8,887,017	876,002	95,278	39,349	12,577,466
Additions	-	-	33	136,854	7,252	1,504	-	7,386	-	23,394	176,423
Disposals	-	-	-	(125,659)	(568)	(535)	(985,887)	(61,526)	-	(43,780)	(1,217,955)
Translation adjustment	1,996	10,960	5,372	269,990	9,232	4,255	1,000,862	98,656	10,730	4,431	1,416,484
<b>At 31 December 2021 and 1 January 2022</b>	<b>19,718</b>	<b>108,280</b>	<b>53,104</b>	<b>2,678,506</b>	<b>97,887</b>	<b>43,011</b>	<b>8,901,992</b>	<b>920,518</b>	<b>106,008</b>	<b>23,394</b>	<b>12,952,418</b>
Additions	-	-	27,062	111,187	5,634	933	-	-	311	379,979	525,106
Transfer	-	-	-	201,119	-	-	163,791	-	-	(364,910)	-
Disposals	-	-	-	(184,390)	(346)	(4,182)	-	-	-	-	(188,918)
Translation adjustment	674	3,702	1,816	91,566	3,346	1,471	304,325	31,469	3,624	800	442,793
<b>At 31 December 2022</b>	<b>20,392</b>	<b>111,982</b>	<b>81,982</b>	<b>2,897,988</b>	<b>106,521</b>	<b>41,233</b>	<b>9,370,108</b>	<b>951,987</b>	<b>109,943</b>	<b>39,263</b>	<b>13,731,399</b>
<b>Depreciation</b>											
At 1 January 2021	-	(79,388)	(45,927)	(1,894,680)	(77,225)	(34,723)	(4,034,914)	(475,307)	(49,862)	-	(6,692,026)
Depreciation charge for the year	-	(3,904)	(632)	(89,416)	(4,200)	(2,765)	(214,378)	(145,939)	(3,567)	-	(464,801)
Disposals	-	-	-	76,064	535	535	300,645	45,852	-	-	423,631
Translation adjustment	-	(9,114)	(5,208)	(217,675)	(8,876)	(4,053)	(464,016)	(60,119)	(5,791)	-	(774,852)
<b>At 31 December 2021 and 1 January 2022</b>	<b>-</b>	<b>(92,406)</b>	<b>(51,767)</b>	<b>(2,125,707)</b>	<b>(89,766)</b>	<b>(41,006)</b>	<b>(4,412,663)</b>	<b>(635,513)</b>	<b>(59,220)</b>	<b>-</b>	<b>(7,508,048)</b>
Depreciation charge for the year	-	(4,281)	(3,996)	(132,925)	(4,734)	(807)	(242,236)	(90,703)	(3,472)	-	(483,154)
Disposals	-	-	-	121,867	311	4,182	-	-	-	-	126,360
Translation adjustment	-	(3,095)	(1,576)	(69,803)	(3,000)	(1,390)	(147,339)	(20,712)	(1,974)	-	(248,889)
<b>At 31 December 2022</b>	<b>-</b>	<b>(99,782)</b>	<b>(57,339)</b>	<b>(2,206,568)</b>	<b>(97,189)</b>	<b>(39,021)</b>	<b>(4,802,238)</b>	<b>(746,928)</b>	<b>(64,666)</b>	<b>-</b>	<b>(8,113,731)</b>

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	Land	Buildings	Building improve- -ment	Tools and equipment	Office equipment	Motor vehicles <i>(in thousand Baht)</i>	Offshore support vessels	Dry- docking	Motor launches	Construction in progress	Total
<b><i>Impairment losses</i></b>											
At 1 January 2021	-	-	-	(162,711)	-	-	(1,328,721)	(53,616)	-	(39,349)	(1,584,397)
Disposals	-	-	-	22,541	-	-	607,349	14,191	-	39,637	683,718
Translation adjustments	-	-	-	(15,967)	-	-	(86,153)	(4,556)	-	(288)	(106,964)
<b>At 31 December 2021</b>	-	-	-	<b>(156,137)</b>	-	-	<b>(807,525)</b>	<b>(43,981)</b>	-	-	<b>(1,007,643)</b>
Disposals	-	-	-	65,874	-	-	-	-	-	-	65,874
Translation adjustments	-	-	-	(8,690)	-	-	(27,606)	(1,503)	-	-	(37,799)
<b>At 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(98,953)</b>	<b>-</b>	<b>-</b>	<b>(835,131)</b>	<b>(45,484)</b>	<b>-</b>	<b>-</b>	<b>(979,568)</b>
<b><i>Net book value</i></b>											
At 31 December 2021	<u>19,718</u>	<u>15,874</u>	<u>1,337</u>	<u>396,662</u>	<u>8,121</u>	<u>2,005</u>	<u>3,681,804</u>	<u>241,024</u>	<u>46,788</u>	<u>23,394</u>	<u>4,436,727</u>
At 31 December 2022	<u>20,392</u>	<u>12,200</u>	<u>24,643</u>	<u>592,467</u>	<u>9,332</u>	<u>2,212</u>	<u>3,732,740</u>	<u>159,575</u>	<u>45,277</u>	<u>39,263</u>	<u>4,638,101</u>

***Security***

As at 31 December 2022, the Group's property, plant and equipment with a net book value of US Dollar 93.5 million (2021: US Dollar 102.7 million) were registered to secure long-term facilities with financial institution.

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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	Buildings	Building improvement	Separate financial statements		Motor vehicles	Total
			Tools and equipment <i>(in thousand US Dollar)</i>	Office equipment		
<b>Cost</b>						
At 1 January 2021	120	488	77	1,407	29	2,121
Additions	-	-	1	10	-	11
Disposals	-	-	-	(15)	-	(15)
<b>At 31 December 2021 and 1 January 2022</b>	<b>120</b>	<b>488</b>	<b>78</b>	<b>1,402</b>	<b>29</b>	<b>2,117</b>
Additions	-	-	-	36	-	36
Disposals	-	-	-	(8)	-	(8)
<b>At 31 December 2022</b>	<b>120</b>	<b>488</b>	<b>78</b>	<b>1,430</b>	<b>29</b>	<b>2,145</b>
<b>Depreciation</b>						
At 1 January 2021	(93)	(444)	(77)	(1,385)	(14)	(2,013)
Depreciation charge for the year	(6)	(5)	-	(13)	(4)	(28)
Disposals	-	-	-	14	-	14
<b>At 31 December 2021 and 1 January 2022</b>	<b>(99)</b>	<b>(449)</b>	<b>(77)</b>	<b>(1,384)</b>	<b>(18)</b>	<b>(2,027)</b>
Depreciation charge for the year	(6)	(5)	-	(11)	(4)	(26)
Disposals	-	-	-	8	-	8
<b>At 31 December 2022</b>	<b>(105)</b>	<b>(454)</b>	<b>(77)</b>	<b>(1,387)</b>	<b>(22)</b>	<b>(2,045)</b>
<b>Net book value</b>						
<b>At 31 December 2021</b>	<b>21</b>	<b>39</b>	<b>1</b>	<b>18</b>	<b>11</b>	<b>90</b>
<b>At 31 December 2022</b>	<b>15</b>	<b>34</b>	<b>1</b>	<b>43</b>	<b>7</b>	<b>100</b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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**For the year ended 31 December 2022**

	<b>Separate financial statements</b>					
	Buildings	Building improvement	Tools and equipment <i>(in thousand Baht)</i>	Office equipment	Motor vehicles	Total
<b><i>Cost</i></b>						
At 1 January 2021	3,604	14,658	2,313	42,262	871	63,708
Additions	-	-	33	334	-	367
Disposals	-	-	-	(501)	-	(501)
Translation adjustments	406	1,651	261	4,761	98	7,177
<b>At 31 December 2021 and 1 January 2022</b>	<b>4,010</b>	<b>16,309</b>	<b>2,607</b>	<b>46,856</b>	<b>969</b>	<b>70,751</b>
Additions	-	-	-	1,244	-	1,244
Disposals	-	-	-	(276)	-	(276)
Translation adjustments	137	557	89	1,600	33	2,416
<b>At 31 December 2022</b>	<b>4,147</b>	<b>16,866</b>	<b>2,696</b>	<b>49,424</b>	<b>1,002</b>	<b>74,135</b>
<b><i>Depreciation</i></b>						
At 1 January 2021	(2,793)	(13,336)	(2,312)	(41,601)	(421)	(60,463)
Depreciation charge for the year	(193)	(160)	-	(414)	(127)	(894)
Disposals	-	-	-	448	-	448
Translation adjustments	(323)	(1,509)	(261)	(4,686)	(54)	(6,833)
<b>At 31 December 2021 and 1 January 2022</b>	<b>(3,309)</b>	<b>(15,005)</b>	<b>(2,573)</b>	<b>(46,253)</b>	<b>(602)</b>	<b>(67,742)</b>
Depreciation charge for the year	(210)	(176)	-	(384)	(139)	(909)
Disposals	-	-	-	280	-	280
Translation adjustments	(110)	(510)	(88)	(1,581)	(19)	(2,308)
<b>At 31 December 2022</b>	<b>(3,629)</b>	<b>(15,691)</b>	<b>(2,661)</b>	<b>(47,938)</b>	<b>(760)</b>	<b>(70,679)</b>
<b><i>Net book value</i></b>						
<b>At 31 December 2021</b>	<b>701</b>	<b>1,304</b>	<b>34</b>	<b>603</b>	<b>367</b>	<b>3,009</b>
<b>At 31 December 2022</b>	<b>518</b>	<b>1,175</b>	<b>35</b>	<b>1,486</b>	<b>242</b>	<b>3,456</b>

Information relating to leases are disclosed in note 11.

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

***Accounting policy***

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term. The Group considers impairment of the right-of-use asset as disclosed in note 10.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

<b><i>Right-of-use assets</i></b> <b><i>At 31 December</i></b>	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
Land	5,741	-	198,423	-
Buildings	264	203	9,124	6,784
Support vessel	23,350	-	807,032	-
<b>Total</b>	<b>29,355</b>	<b>203</b>	<b>1,014,579</b>	<b>6,784</b>

  

<b><i>Right-of-use assets</i></b> <b><i>At 31 December</i></b>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
Buildings	264	202	9,124	6,751
<b>Total</b>	<b>264</b>	<b>202</b>	<b>9,124</b>	<b>6,751</b>

In 2022, additions to the right-of-use assets of the Group and the Company were US Dollar 34.1 million and US Dollar 0.2 million, respectively (2021: nil).

During 2022, the Group leased a vessel, vacant land and office space for 2-5 years with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

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*Extension options*

The Group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

<i>Year-ended 31 December</i>	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
<b>Amounts recognised in profit or loss</b>				
Sub-lease income	712	-	24,964	-
Depreciation of right-of-use assets:				
- Land	886	-	31,803	-
- Buildings	148	191	5,174	6,108
- Support vessel	3,895	-	141,764	-
Interest on lease liabilities	1,040	15	37,715	483
Expenses relating to short-term leases	259	343	9,057	10,916
Expenses relating to leases of low-value assets	16	10	566	320

<i>Year-ended 31 December</i>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
<b>Amounts recognised in profit or loss</b>				
Depreciation of right-of-use assets:				
- Buildings	148	189	5,174	6,044
Interest on lease liabilities	15	15	523	483
Expenses relating to leases of low-value assets	7	6	246	192

In 2022, total cash outflow for leases of the Group and the Company were US Dollar 5.8 million and US Dollar 0.2 million, respectively (2021: US Dollar 0.9 million and US Dollar 0.2 million, respectively).

## 12 Interest-bearing liabilities

**Accounting policy**

The Group recognises and measures financial liabilities as disclosed in note 18.

	<i>Note</i>	<b>Consolidated financial statements</b>			
		2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
Short-term borrowing from parent company - unsecured	3	4,000	-	138,250	-
Long-term borrowings from financial institution - secured		32,484	46,694	1,122,725	1,560,508
Long-term borrowings from parent company- unsecured	3	5,000	5,000	172,812	167,100
Lease liabilities		29,812	201	1,030,374	6,718
<b>Total interest-bearing liabilities</b>		<b>71,296</b>	<b>51,895</b>	<b>2,464,161</b>	<b>1,734,326</b>

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	Note	Separate financial statements			
		2022 (in thousand US Dollar)	2021	2022 (in thousand Baht)	2021
Short-term borrowing from parent company - unsecured	3	4,000	-	138,250	-
Long-term borrowings from parent company- unsecured	3	5,000	5,000	172,812	167,100
Lease liabilities		245	200	8,468	6,684
<b>Total interest-bearing liabilities</b>		<b>9,245</b>	<b>5,200</b>	<b>319,530</b>	<b>173,784</b>

The Group's long-term borrowings from financial institution bear effective interest rates of 7.38%, 7.48% and 8.15% per annum (2021: 2.87%, 2.97% and 3.34% per annum).

The Company's short-term and long-term borrowings from parent company bear interest rates at 7.0% per annum.

As at 31 December 2022, the Group and the Company had no unutilised credit facilities (2021: Nil).

The movement of long-term borrowings from financial institution were summarised as follows:

	Consolidated financial statements			
	2022 (in thousand US Dollar)	2021	2022 (in thousand Baht)	2021
At 1 January	46,694	57,413	1,560,508	1,724,520
Addition	-	2,992	-	99,992
Repayments during year	(14,272)	(13,768)	(493,275)	(460,125)
Amortisation to profit and loss (front end fee)	62	57	2,174	1,825
Translation adjustments	-	-	53,318	194,296
<b>At 31 December</b>	<b>32,484</b>	<b>46,694</b>	<b>1,122,725</b>	<b>1,560,508</b>

The currency denomination of interest-bearing liabilities, excluding finance lease liabilities as at 31 December were as follows:

	Consolidated financial statements			
	2022 (in thousand US Dollar)	2021	2022 (in thousand Baht)	2021
Currency				
US Dollar	32,484	46,694	1,122,725	1,560,508
<b>Total</b>	<b>32,484</b>	<b>46,694</b>	<b>1,122,725</b>	<b>1,560,508</b>

Long-term borrowings for the purchase of support vessels were granted by commercial bank and were denominated in US Dollar, having a total outstanding balance of US Dollar 32.5 million as at 31 December 2022 (2021: US Dollar 46.7 million) with repayment terms until 2025. 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 10 and are guaranteed by the Company and the Parent.

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 term borrowing agreements.

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**13 Non-current provisions for employee benefits**

*Accounting policy*

*Defined contribution plan*

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

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

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

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

<b>Consolidated financial statements</b>				
<i>At 31 December</i>	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Post-employment benefits	2,774	2,371	95,876	79,239
Other long-term employee benefits	46	66	1,590	2,205
<b>Total</b>	<b>2,820</b>	<b>2,437</b>	<b>97,466</b>	<b>81,444</b>

  

<b>Separate financial statements</b>				
<i>At 31 December</i>	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Post-employment benefits	337	295	11,648	9,859
Other long-term employee benefits	21	22	725	735
<b>Total</b>	<b>358</b>	<b>317</b>	<b>12,373</b>	<b>10,594</b>

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***Defined benefit plan***

The subsidiaries registered in Thailand operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as interest rate risk.

<b><i>Present value of the defined benefit obligations</i></b>	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
At 1 January	2,437	2,411	81,444	72,419
<b><i>Recognised in profit or loss:</i></b>				
Current service cost	514	442	17,865	14,116
Interest on obligation	3	23	98	735
Past service cost	-	(24)	-	(802)
Curtailment gain	-	(32)	-	(1,049)
Actuarial gains	-	(12)	-	(400)
<b><i>Recognised in other comprehensive income:</i></b>				
Actuarial (gain) loss				
- Demographic assumption	(4)	113	(146)	3,772
- Financial assumption	-	(18)	-	(601)
- Experience adjustment	23	(393)	838	(13,112)
Benefits paid	(153)	(73)	(5,325)	(2,372)
Translation adjustment	-	-	2,692	8,738
<b>At 31 December</b>	<b>2,820</b>	<b>2,437</b>	<b>97,466</b>	<b>81,444</b>

<b><i>Present value of the defined benefit obligations</i></b>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
At 1 January	317	274	10,594	8,230
<b><i>Recognised in profit or loss:</i></b>				
Current service cost	43	28	1,508	898
Interest on obligation	2	7	66	223
Past service cost	-	(9)	-	(301)
Actuarial loss	-	15	-	501
<b><i>Recognised in other comprehensive income:</i></b>				
Actuarial (gain) loss				
- Demographic assumption	-	65	-	2,170
- Financial assumption	-	(10)	-	(334)
- Experience adjustment	-	(47)	-	(1,569)
Benefits paid	(4)	(6)	(146)	(200)
Translation adjustment	-	-	351	976
<b>At 31 December</b>	<b>358</b>	<b>317</b>	<b>12,373</b>	<b>10,594</b>

<b><i>Principal actuarial assumptions</i></b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
Discount rate	1.92 - 3.20	1.92 - 3.20	1.92 - 2.48	1.92 - 2.48
Future salary growth	3.00 - 6.00	2.50 - 4.00	4.00	4.00
Employee turnover	3.58 - 28.65	3.58 - 28.65	3.58 - 28.65	3.58 - 28.65

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Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2022, the weighted-average duration of the defined benefit obligation was 15 years (2021: 15 years).

*Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to the defined benefit obligation At 31 December</i>	<b>Consolidated financial statements</b>			
	Increase in assumption		Decrease in assumption	
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>			
<b>Post-employment benefits</b>				
Discount rate (1%)	(145)	(133)	175	155
Future salary growth (1%)	179	153	(148)	(134)
Employee turnover (20%)	(60)	(52)	70	60
Future mortality (20%)	(9)	(7)	9	8
<b>Other long-term employee benefits</b>				
Discount rate (1%)	(3)	(3)	3	3
Employee turnover (20%)	(4)	(3)	4	4

<i>Effect to the defined benefit obligation At 31 December</i>	<b>Consolidated financial statements</b>			
	Increase in assumption		Decrease in assumption	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b>Post-employment benefits</b>				
Discount rate (1%)	(5,012)	(4,445)	6,048	5,180
Future salary growth (1%)	6,187	5,113	(5,115)	(4,478)
Employee turnover (20%)	(2,074)	(1,738)	2,419	2,005
Future mortality (20%)	(311)	(234)	311	267
<b>Other long-term employee benefits</b>				
Discount rate (1%)	(104)	(100)	104	100
Employee turnover (20%)	(138)	(100)	138	134

<i>Effect to the defined benefit obligation At 31 December</i>	<b>Separate financial statements</b>			
	Increase in assumption		Decrease in assumption	
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>			
<b>Post-employment benefits</b>				
Discount rate (1%)	(35)	(33)	41	38
Future salary growth (1%)	43	37	(37)	(32)
Employee turnover (20%)	(35)	(30)	40	35
Future mortality (20%)	(5)	(4)	5	4
<b>Other long-term employee benefits</b>				
Discount rate (1%)	(2)	(2)	2	2
Employee turnover (20%)	(2)	(2)	2	2

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<i>Effect to the defined benefit obligation At 31 December</i>	<b>Separate financial statements</b>			
	Increase in assumption		Decrease in assumption	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b>Post-employment benefits</b>				
Discount rate (1%)	(1,210)	(1,103)	1,417	1,270
Future salary growth (1%)	1,486	1,237	(1,279)	(1,069)
Employee turnover (20%)	(1,210)	(1,003)	1,382	1,170
Future mortality (20%)	(173)	(134)	173	134
<b>Other long-term employee benefits</b>				
Discount rate (1%)	(69)	(67)	69	67
Employee turnover (20%)	(69)	(67)	69	67

**14 Segment information and disaggregation of revenue**

**Accounting policy**

*(1) Revenue recognition*

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates. Revenue in a foreign currency is translated into the functional currency at the exchange rate at the date of transaction.

Revenue for rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

*(2) Contract balances*

Contract assets are recognised when the Group has recognised revenue before it has an unconditional right to receive consideration. The contract assets are measured at the amount of consideration that the Group is entitled to, less allowance for expected credit loss. The contract assets are classified as trade receivables when the Group has an unconditional right to receive consideration.

Contract liabilities including advances received from customers are the obligation to transfer goods or services to the customer. The contract liabilities including advances received from customers are recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

A refund liability is the obligation to refund some or all of the consideration received from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The refund liability is reassessed at each reporting date and the Group makes a corresponding change to the amount of revenue recognised.

*(a) Segment information*

Segment results that are reported to the Group's the chief operation decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2022

Management determined that the Group has two reportable segments, as described below, which are the Group's strategic divisions for 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.

- *Segment 1*                      Subsea group
- *Segment 2*                      Holding

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<b>Subsea group</b>	<b>Holding</b>	<b>Total</b>	<b>Elimination</b>	<b>Group</b>	
<i>(in thousand US Dollar)</i>					
<b>Disaggregation of revenue</b>					
<b>Primary geographical markets</b>					
Saudi Arabia	131,036	-	131,036	-	131,036
Thailand	30,568	-	30,568	-	30,568
Malaysia	23,211	-	23,211	-	23,211
Qatar	11,884	-	11,884	-	11,884
United Kingdom	11,010	-	11,010	-	11,010
United Arab Emirates	10,973	-	10,973	-	10,973
Myanmar	5,253	-	5,253	-	5,253
<b>Total revenue</b>	<b>223,935</b>	<b>-</b>	<b>223,935</b>	<b>-</b>	<b>223,935</b>
<b>Major products/service lines</b>					
Providing services	223,935	-	223,935	-	223,935
<b>Total revenue</b>	<b>223,935</b>	<b>-</b>	<b>223,935</b>	<b>-</b>	<b>223,935</b>
<b>Timing of revenue recognition</b>					
Over time	223,935	-	223,935	-	223,935
<b>Total revenue</b>	<b>223,935</b>	<b>-</b>	<b>223,935</b>	<b>-</b>	<b>223,935</b>
Finance costs	3,035	383	3,418	(101)	3,317
Depreciation and amortisation	18,393	333	18,726	-	18,726
Share of profit of investments in associate and joint ventures	2,894	3	2,897	-	2,897
Segment profit (loss) before income tax	6,618	(4,695)	1,923	-	1,923
<b>Other material non-cash items:</b>					
Reversal of impairment loss determine in accordance with TFRS9	505	-	505	-	505
Capital expenditures	15,157	36	15,193	-	15,193
Segment assets	265,647	118,812	384,459	(92,968)	291,491
Segment liabilities	251,175	10,663	261,838	(131,287)	130,551

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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<b>Subsea group</b>	<b>Holding</b>	<b>Total</b>	<b>Elimination</b>	<b>Group</b>	
<i>(in thousand US Dollar)</i>					
<b>Disaggregation of revenue</b>					
<b>Primary geographical markets</b>					
Saudi Arabia	93,732	-	93,732	-	93,732
Thailand	11,944	-	11,944	-	11,944
United Arab Emirates	2,886	-	2,886	-	2,886
Qatar	1,550	-	1,550	-	1,550
Myanmar	1,480	-	1,480	-	1,480
<b>Total revenue</b>	<b>111,592</b>	<b>-</b>	<b>111,592</b>	<b>-</b>	<b>111,592</b>
<b>Major products/service lines</b>					
Providing services	111,592	-	111,592	-	111,592
<b>Total revenue</b>	<b>111,592</b>	<b>-</b>	<b>111,592</b>	<b>-</b>	<b>111,592</b>
<b>Timing of revenue recognition</b>					
Over time	111,592	-	111,592	-	111,592
<b>Total revenue</b>	<b>111,592</b>	<b>-</b>	<b>111,592</b>	<b>-</b>	<b>111,592</b>
Finance costs	1,697	24	1,721	(92)	1,629
Depreciation and amortisation	14,409	380	14,789	-	14,789
Share of profit of investments in associate and joint ventures	491	42	533	-	533
Segment profit (loss) before income tax	(8,748)	(28,095)	(35,843)	21,922	(14,921)
<b>Other material non-cash items:</b>					
Impairment loss determine in accordance with TFRS9	688	-	688	-	688
Capital expenditures	5,268	2,011	7,279	-	7,279
Segment assets	222,799	115,366	338,165	(79,533)	258,632
Segment liabilities	214,223	6,652	220,875	(122,918)	97,957

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### Consolidated financial statements For the year ended 31 December 2022

Subsea group	Holding	Total <i>(in thousand Baht)</i>	Elimination	Group	
<b>Disaggregation of revenue</b>					
<b>Primary geographical markets</b>					
Saudi Arabia	4,633,651	-	4,633,651	-	4,633,651
Thailand	1,052,601	-	1,052,601	-	1,052,601
Malaysia	844,789	-	844,789	-	844,789
Qatar	419,433	-	419,433	-	419,433
United Kingdom	400,597	-	400,597	-	400,597
United Arab Emirates	379,858	-	379,858	-	379,858
Myanmar	174,825	-	174,825	-	174,825
<b>Total revenue</b>	<b>7,905,754</b>	<b>-</b>	<b>7,905,754</b>	<b>-</b>	<b>7,905,754</b>
<b>Major products/service lines</b>					
Providing services	7,905,754	-	7,905,754	-	7,905,754
<b>Total revenue</b>	<b>7,905,754</b>	<b>-</b>	<b>7,905,754</b>	<b>-</b>	<b>7,905,754</b>
<b>Timing of revenue recognition</b>					
Over time	7,905,754	-	7,905,754	-	7,905,754
<b>Total revenue</b>	<b>7,905,754</b>	<b>-</b>	<b>7,905,754</b>	<b>-</b>	<b>7,905,754</b>
Finance costs	108,271	13,449	121,720	(3,543)	118,177
Depreciation and amortisation	652,188	11,660	663,848	-	663,848
Share of profit of investments in associate and joint ventures	99,963	182	100,145	-	100,145
Segment profit (loss) before income tax	252,714	(160,873)	91,841	-	91,841
Other material non-cash items:					
Reversal of impairment loss determine in accordance with TFRS9	18,381	-	18,381	-	18,381
Capital expenditures	523,862	1,244	525,106	-	525,106
Segment assets	9,181,396	4,106,427	13,287,823	(3,213,197)	10,074,626
Segment liabilities	8,681,211	368,539	9,049,750	(4,537,594)	4,512,156

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<b>Subsea group</b>	<b>Holding</b>	<b>Total</b>	<b>Elimination</b>	<b>Group</b>	
		<i>(in thousand Baht)</i>			
<b>Disaggregation of revenue</b>					
<b>Primary geographical markets</b>					
Saudi Arabia	3,021,635	-	3,021,635	-	3,021,635
Thailand	390,916	-	390,916	-	390,916
United Arab Emirates	95,257	-	95,257	-	95,257
Qatar	48,061	-	48,061	-	48,061
Myanmar	49,400	-	49,400	-	49,400
<b>Total revenue</b>	<b>3,605,269</b>	<b>-</b>	<b>3,605,269</b>	<b>-</b>	<b>3,605,269</b>
<b>Major products/service lines</b>					
Providing services	3,605,269	-	3,605,269	-	3,605,269
<b>Total revenue</b>	<b>3,605,269</b>	<b>-</b>	<b>3,605,269</b>	<b>-</b>	<b>3,605,269</b>
<b>Timing of revenue recognition</b>					
Over time	3,605,269	-	3,605,269	-	3,605,269
<b>Total revenue</b>	<b>3,605,269</b>	<b>-</b>	<b>3,605,269</b>	<b>-</b>	<b>3,605,269</b>
<b>Information about reportable segment</b>					
Finance costs	54,165	776	54,941	(2,944)	51,997
Depreciation and amortisation	460,535	12,141	472,676	-	472,676
Share of profit of investments in associate and joint ventures	17,535	1,288	18,823	-	18,823
Segment profit (loss) before income tax	(298,514)	(911,712)	(1,210,226)	731,720	(478,506)
<b>Other material non-cash items:</b>					
Impairment loss determine in accordance with TFRS9					
Capital expenditures	176,056	67,207	243,263	-	243,263
Segment assets	7,445,923	3,855,520	11,301,443	(2,657,985)	8,643,458
Segment liabilities	7,159,310	222,309	7,381,619	(4,107,907)	3,273,712

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(b) *Geographical information*

Segments Subsea and Holding are managed on a worldwide basis but mainly operate and provide services in Thailand, Qatar, United Arab Emirates and Saudi Arabia.

In presenting information on the basis of geographical segments, assets are based on the geographical location of the assets.

<i>Geographical information</i>	<b>Assets</b>			
	2022 <i>(in thousand US Dollar)</i>	2021 <i>(in thousand US Dollar)</i>	2022 <i>(in thousand Baht)</i>	2021 <i>(in thousand Baht)</i>
Thailand	208,954	190,980	7,221,948	6,382,533
Saudi Arabia	66,564	54,276	2,300,612	1,813,898
United Arab Emirates	8,048	6,908	278,158	230,865
United Kingdom	6,662	158	230,255	5,283
Qatar	634	1,196	21,913	39,970
Malaysia	389	-	13,445	-
Singapore	231	231	7,984	7,720
Cayman	5	4,875	173	162,922
Mauritius	4	8	138	267
<b>Total</b>	<b>291,491</b>	<b>258,632</b>	<b>10,074,626</b>	<b>8,643,458</b>

(c) *Major customers*

Revenues from the major customers of the Group's segments Subsea represents approximately US Dollar 143.8 million (2021: US Dollar 73.0 million) of the Group's total revenues.

## 15 Expenses by nature

*Accounting policy*

The Group recognises expenses as disclosed in note 6, 9-11, 13-14.

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021 <i>(in thousand US Dollar)</i>	2022 <i>(in thousand Baht)</i>	2021 <i>(in thousand Baht)</i>
<b>Expenses included in costs of rendering of services</b>				
Crew, staff and subcontractor costs	75,046	46,139	2,638,619	1,485,359
Vessel expenses and repair and maintenance expenses	51,492	29,398	1,817,444	951,041
Charter hire and equipment rental	47,588	16,061	1,670,405	531,262
Depreciation	17,259	14,181	611,103	453,271
Mobilisation/demobilisation expense	9,906	6,394	350,599	206,107
Recharge expenses related to services provided	5,189	1,052	177,866	33,561
<b>Total</b>	<b>206,480</b>	<b>113,225</b>	<b>7,266,036</b>	<b>3,660,601</b>

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	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
<b>Expenses included in administrative expense</b>				
Employee benefit expense	10,423	9,010	364,434	288,365
Professional fees	1,329	1,098	46,171	34,633
Depreciation and amortisation	1,467	608	52,745	19,405
Travelling expenses	618	417	21,687	13,436
(Reversal of) impairment loss determine in accordance with TFRS9	(505)	688	(18,381)	22,590
Withholding tax not recoverable	375	574	13,409	18,645
Office and office equipment rental	222	267	7,266	8,600
Bank charge	130	186	4,798	5,837
Others	1,393	1,547	48,829	49,577
<b>Total</b>	<b>15,452</b>	<b>14,395</b>	<b>540,958</b>	<b>461,088</b>

	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
<b>Expenses included in administrative expense</b>				
Employee benefit expense	2,168	1,985	75,818	63,163
Depreciation	333	376	11,659	12,016
Professional fees	192	557	6,365	17,406
Travelling expenses	61	21	2,180	675
Others	477	508	16,668	16,235
<b>Total</b>	<b>3,231</b>	<b>3,447</b>	<b>112,690</b>	<b>109,495</b>

## **16 Income tax**

### ***Accounting policy***

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

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

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

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

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

<i>Income tax recognized in profit or loss</i>	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021 <i>(in thousand US Dollar)</i>	2022 <i>(in thousand Baht)</i>	2021 <i>(in thousand Baht)</i>
<b>Current tax expense</b>				
Current taxes	2,179	749	79,295	23,673
	<u>2,179</u>	<u>749</u>	<u>79,295</u>	<u>23,673</u>
<b>Deferred tax expense (benefit)</b>				
Movement in temporary differences	(594)	1	(21,610)	(149)
<b>Total</b>	<u>1,585</u>	<u>750</u>	<u>57,685</u>	<u>23,524</u>

	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021 <i>(in thousand US Dollar)</i>	2022 <i>(in thousand Baht)</i>	2021 <i>(in thousand Baht)</i>
<b>Deferred tax expense (benefit)</b>				
Movement in temporary differences	(2)	1	(73)	(149)
<b>Total</b>	<u>(2)</u>	<u>1</u>	<u>(73)</u>	<u>(149)</u>

<i>Income tax</i>	<b>Consolidated financial statements</b>					
	Before tax <i>(Note 13)</i>	2022 Tax (expense) benefit	Net of tax	Before tax <i>(Note 13)</i>	2021 Tax (expense) benefit	Net of tax
<b>Recognised in other comprehensive income</b>						
Defined benefit plan actuarial gains (losses)	(19)	(54)	(73)	298	4	302
<b>Total</b>	<u>(19)</u>	<u>(54)</u>	<u>(73)</u>	<u>298</u>	<u>4</u>	<u>302</u>

<i>Income tax</i>	<b>Consolidated financial statements</b>					
	Before tax <i>(Note 13)</i>	2022 Tax (expense) benefit	Net of tax	Before tax <i>(Note 13)</i>	2021 Tax (expense) benefit	Net of tax
<b>Recognised in other comprehensive income</b>						
Defined benefit plan actuarial gains (losses)	(692)	(1,964)	(2,656)	9,941	133	10,074
<b>Total</b>	<u>(692)</u>	<u>(1,964)</u>	<u>(2,656)</u>	<u>9,941</u>	<u>133</u>	<u>10,074</u>

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<i>Income tax</i>	<b>Separate financial statements</b>					
	Before tax (Note 13)	2022 Tax (expense) benefit	Net of tax	Before tax (Note 13)	2021 Tax (expense) benefit	Net of tax
<i>Recognised in other comprehensive income</i>						
Defined benefit plan actuarial gains (losses)	-	-	-	(8)	4	(4)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8)</b>	<b>4</b>	<b>(4)</b>

<i>Income tax</i>	<b>Separate financial statements</b>					
	Before tax (Note 13)	2022 Tax (expense) benefit	Net of tax	Before tax (Note 13)	2021 Tax (expense) benefit	Net of tax
<i>Recognised in other comprehensive income</i>						
Defined benefit plan actuarial gains (losses)	-	-	-	(267)	133	(134)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(267)</b>	<b>133</b>	<b>(134)</b>

<i>Reconciliation of effective tax rate</i>	<b>Consolidated financial statements</b>			
	2022 (in thousand US Dollar)	2021	2022 (in thousand Baht)	2021
Profit (loss) before income tax - accounting	1,923	(14,921)	91,841	(478,506)
Tax at the domestic rate of 20%	385	(2,984)	18,368	(95,701)
Effect of difference tax rate in foreign jurisdictions	1,361	(525)	47,718	(16,788)
Income not subject to tax and additional taxable expenses	(48)	(454)	(1,683)	(14,518)
Expenses not deductible for tax purposes	484	9,800	14,214	313,198
Recognition of previously unrecognised temporary differences	(414)	-	(14,515)	-
Utilisation of previously unrecognised tax losses	(517)	(4,708)	(18,127)	(150,548)
Tax losses and temporary differences for which no deferred income tax were recognised	611	251	21,422	8,026
Remeasurement of gain on exchange rate of US Dollar financial statement	(349)	(1,042)	(12,236)	(33,320)
Remeasurement of loss on exchange rate of Thai Baht financial statement	72	412	2,524	13,175
<b>Total income tax expense</b>	<b>1,585</b>	<b>750</b>	<b>57,685</b>	<b>23,524</b>
The average effective tax rate	82%	5%	63%	5%

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<i>Reconciliation of effective tax rate</i>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021 <i>(in thousand US Dollar)</i>	2022 <i>(in thousand Baht)</i>	2021 <i>(in thousand Baht)</i>
Loss before income tax - accounting	<u>(4,072)</u>	<u>(27,936)</u>	<u>(139,112)</u>	<u>(908,477)</u>
Tax at the domestic rate of 20%	(815)	(5,587)	(27,822)	(181,695)
Expenses not deductible for tax purposes	4	4,364	(615)	142,406
Utilisation of previously unrecognised tax losses	-	(55)	-	(1,759)
Tax losses for which no deferred income tax assets were recognised	314	-	11,009	-
Remeasurement of loss on exchange rate of US Dollar financial statement	423	867	14,831	27,724
Remeasurement of loss on exchange rate of Thai Baht financial statement	<u>72</u>	<u>412</u>	<u>2,524</u>	<u>13,175</u>
<b>Total income tax expense (benefit)</b>	<b><u>(2)</u></b>	<b><u>1</u></b>	<b><u>(73)</u></b>	<b><u>(149)</u></b>
The average effective tax rate	0%	0%	0%	0%

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

<b>Deferred tax</b> <i>As at 31 December</i>	<b>Consolidated financial statements</b>			
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>			
Total	<u>616</u>	<u>57</u>	<u>(19)</u>	<u>-</u>
<b>Net deferred tax assets (liabilities)</b>	<b><u>616</u></b>	<b><u>57</u></b>	<b><u>(19)</u></b>	<b><u>-</u></b>

<b>Deferred tax</b> <i>As at 31 December</i>	<b>Consolidated financial statements</b>			
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Total	<u>21,290</u>	<u>1,905</u>	<u>(657)</u>	<u>-</u>
<b>Net deferred tax assets (liabilities)</b>	<b><u>21,290</u></b>	<b><u>1,905</u></b>	<b><u>(657)</u></b>	<b><u>-</u></b>

<b>Deferred tax</b> <i>As at 31 December</i>	<b>Separate financial statements</b>			
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>			
Total	<u>63</u>	<u>57</u>	<u>-</u>	<u>-</u>
Set off of tax	<u>(4)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net deferred tax assets</b>	<b><u>59</u></b>	<b><u>57</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

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<b>Deferred tax</b> <i>As at 31 December</i>	<b>Separate financial statements</b>			
		<b>Assets</b>	<b>Liabilities</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Total	2,177	1,905	-	-
Set off of tax	(138)	-	-	-
<b>Net deferred tax assets</b>	<b>2,039</b>	<b>1,905</b>	<b>-</b>	<b>-</b>

<b>Deferred tax</b>	<b>Consolidated financial statements</b> (Charged) / Credited to			
	<b>At 1 January</b>	<b>Profit or loss</b>	<b>Other comprehensive income</b>	<b>At 31 December</b>
	<i>(in thousand US Dollar)</i>			
<b>2022</b>				
<b>Deferred tax assets</b>				
Lease	-	95	-	95
Provisions	-	188	-	188
Retirement benefits obligation	57	330	(54)	333
<b>Total</b>	<b>57</b>	<b>613</b>	<b>(54)</b>	<b>616</b>
<b>Deferred tax liabilities</b>				
Lease	-	(4)	-	(4)
Property, plant and equipment	-	(15)	-	(15)
<b>Total</b>	<b>-</b>	<b>(19)</b>	<b>-</b>	<b>(19)</b>
<b>2021</b>				
<b>Deferred tax assets</b>				
Retirement benefits obligation	54	(1)	4	57
<b>Total</b>	<b>54</b>	<b>(1)</b>	<b>4</b>	<b>57</b>

<b>Deferred tax</b>	<b>Consolidated financial statements</b> (Charged) / Credited to				
	<b>At 1 January</b>	<b>Profit or loss</b>	<b>Other comprehensive income</b>	<b>Translation adjustments</b>	<b>At 31 December</b>
	<i>(in thousand Baht)</i>				
<b>2022</b>					
<b>Deferred tax assets</b>					
Lease	-	3,456	-	(173)	3,283
Provisions	-	6,840	-	(342)	6,498
Retirement benefits obligation	1,905	12,006	(1,964)	(438)	11,509
<b>Total</b>	<b>1,905</b>	<b>22,302</b>	<b>(1,964)</b>	<b>(953)</b>	<b>21,290</b>
<b>Deferred tax liabilities</b>					
Lease	-	(146)	-	8	(138)
Property, plant and equipment	-	(546)	-	27	(519)
<b>Total</b>	<b>-</b>	<b>(692)</b>	<b>-</b>	<b>35</b>	<b>(657)</b>
<b>2021</b>					
<b>Deferred tax assets</b>					
Retirement benefits obligation	1,622	149	133	1	1,905
<b>Total</b>	<b>1,622</b>	<b>149</b>	<b>133</b>	<b>1</b>	<b>1,905</b>

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<i>Deferred tax</i>	<b>At 1 January</b>	<b>Separate financial statements (Charged) / Credited to</b>		<b>At 31 December</b>
		<b>Profit or loss (in thousand US Dollar)</b>	<b>Other comprehensive income</b>	
<b>2022</b>				
<i>Deferred tax assets</i>				
Retirement benefits obligation	57	6	-	63
<b>Total</b>	<b>57</b>	<b>6</b>	<b>-</b>	<b>63</b>
<i>Deferred tax liabilities</i>				
Lease	-	(4)	-	(4)
<b>Total</b>	<b>-</b>	<b>(4)</b>	<b>-</b>	<b>(4)</b>
<b>Net</b>	<b>57</b>	<b>2</b>	<b>-</b>	<b>59</b>
<b>2021</b>				
<i>Deferred tax assets</i>				
Retirement benefits obligation	54	(1)	4	57
<b>Total</b>	<b>54</b>	<b>(1)</b>	<b>4</b>	<b>57</b>

<i>Deferred tax</i>	<b>At 1 January</b>	<b>Separate financial statements (Charged) / Credited to</b>			<b>At 31 December</b>
		<b>Profit or loss</b>	<b>Other comprehensive income</b>	<b>Translation adjustments</b>	
<i>(in thousand Baht)</i>					
<b>2022</b>					
<i>Deferred tax assets</i>					
Retirement benefits obligation	1,905	218	-	54	2,177
<b>Total</b>	<b>1,905</b>	<b>218</b>	<b>-</b>	<b>54</b>	<b>2,177</b>
<i>Deferred tax liabilities</i>					
Lease	-	(145)	-	7	(138)
<b>Total</b>	<b>-</b>	<b>(145)</b>	<b>-</b>	<b>7</b>	<b>(138)</b>
<b>Net</b>	<b>1,905</b>	<b>73</b>	<b>-</b>	<b>61</b>	<b>2,039</b>
<b>2021</b>					
<i>Deferred tax assets</i>					
Retirement benefits obligation	1,622	149	133	1	1,905
<b>Total</b>	<b>1,622</b>	<b>149</b>	<b>133</b>	<b>1</b>	<b>1,905</b>

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<i>Unrecognised deferred tax assets</i>	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
Tax losses	14,974	15,113	525,008	483,270
Impairment losses on property, plant and equipment and related supplies and spare parts	4,602	4,645	161,352	148,534
Allowance for expected credit loss	4,568	6,351	160,160	203,087
Impairment losses on goodwill	2,027	2,027	71,069	64,818
Retirement benefits obligation	56	316	1,963	10,105
<b>Total</b>	<b>26,227</b>	<b>28,452</b>	<b>919,552</b>	<b>909,814</b>

  

<i>Unrecognised deferred tax assets</i>	<b>Separate financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>	2021	2022 <i>(in thousand Baht)</i>	2021
Impairment losses on investments in subsidiaries	22,439	22,439	786,741	717,534
Allowance for expected credit loss	11,485	11,809	402,679	377,618
Tax losses	1,930	2,662	67,668	85,123
<b>Total</b>	<b>35,854</b>	<b>36,910</b>	<b>1,257,088</b>	<b>1,180,275</b>

The tax losses will expire from 2023-2027. The deductible temporary differences do not expire under current tax legislation. The Group has not recognised these as deferred tax assets because it is not probable that the Group will have sufficient future taxable profit to utilise the benefits therefrom.

## 17 Earnings per share

### *Accounting policy*

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar/ thousand shares)</i>	2021	2022 <i>(in thousand Baht/ thousand shares)</i>	2021
<b>Profit (loss) attributable to ordinary shareholders of the Company (basic)</b>	<b>(195)</b>	<b>(15,724)</b>	<b>14,761</b>	<b>(503,533)</b>
<b>Number of ordinary shares outstanding (basic)</b>	<b>1,413,329</b>	<b>1,413,329</b>	<b>1,413,329</b>	<b>1,413,329</b>
<b>Earnings (losses) per share (basic)</b>	<b>(0.0001)</b>	<b>(0.0111)</b>	<b>0.0104</b>	<b>(0.3563)</b>

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

	Separate financial statements			
	2022 <i>(in thousand US Dollar/ thousand shares)</i>	2021	2022 <i>(in thousand Baht/ thousand shares)</i>	2021
<b>Loss attributable to ordinary shareholders of the Company (basic)</b>	<u>(4,070)</u>	<u>(27,937)</u>	<u>(139,039)</u>	<u>(908,328)</u>
<b>Number of ordinary shares outstanding (basic)</b>	<u>1,413,329</u>	<u>1,413,329</u>	<u>1,413,329</u>	<u>1,413,329</u>
<b>Losses per share (basic)</b>	<u>(0.0029)</u>	<u>(0.0198)</u>	<u>(0.0984)</u>	<u>(0.6427)</u>

## 18 Financial instruments

### *Accounting policy*

#### *(1) Classification and measurement*

Other financial assets and financial liabilities (except trade accounts receivables (see note 6) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Debt investments measured at FVOCI are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

#### *(2) Derecognition and offset*

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

*Interest rate benchmark reform*

When the basis of determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform (IBOR reform), the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by IBOR reform. If there were any other additional changes, the Group applied the policies on accounting for modifications to those changes.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(3) *Impairment of financial assets other than trade accounts receivables*

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI, and loan commitments issued which are not measured at FVTPL.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group takes action such as realising security (if any is held); or
- the financial asset is more than 180 days past due.

(4) *Write offs*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(5) *Fair value measurement*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

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When measuring the fair value of an asset or a liability, the Group uses observable market 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 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 or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

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

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

*(a) 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, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

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<i>At 31 December</i>	<b>Consolidated financial statements</b>						<b>Fair value</b>
	<b>Financial instruments measured at FVTPL</b>	<b>Carrying amount Financial instruments measured at amortised cost</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
			<i>(in thousand US Dollar)</i>				
<b>2022</b>							
<b>Financial liabilities</b>							
Long-term borrowings	-	32,484	32,484	-	-	33,868	33,868
<b>Total other financial liabilities</b>	<b>-</b>	<b>32,484</b>	<b>32,484</b>				
<b>2021</b>							
<b>Financial assets</b>							
Equity securities held for trading	3	-	3	-	3	-	3
Investment in mutual fund	2,871	-	2,871	-	2,871	-	2,871
<b>Total other financial assets</b>	<b>2,874</b>	<b>-</b>	<b>2,874</b>				
<b>Financial liabilities</b>							
Long-term borrowings	-	46,694	46,694	-	-	45,897	45,897
<b>Total other financial liabilities</b>	<b>-</b>	<b>46,694</b>	<b>46,694</b>				

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	<b>Consolidated financial statements</b>						
	Financial instruments measured at FVTPL	<b>Carrying amount</b> Financial instruments measured at amortised cost	Total	Level 1 <i>(in thousand Baht)</i>	Level 2	Level 3	
<i>At 31 December</i>							
<b>2022</b>							
<b>Financial liabilities</b>							
Long-term borrowings	-	1,122,725	1,122,725	-	-	1,170,599	1,170,599
<b>Total other financial liabilities</b>	<b>-</b>	<b>1,122,725</b>	<b>1,122,725</b>				
<b>2021</b>							
<b>Financial assets</b>							
Equity securities held for trading	100	-	100	-	100	-	100
Investment in mutual fund	95,949	-	95,949	-	95,949	-	95,949
<b>Total other financial assets</b>	<b>96,049</b>	<b>-</b>	<b>96,049</b>				
<b>Financial liabilities</b>							
Long-term borrowings	-	1,560,508	1,560,508	-	-	1,533,873	1,533,873
<b>Total other financial liabilities</b>	<b>-</b>	<b>1,560,508</b>	<b>1,560,508</b>				

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The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

<b>Type</b>	<b>Valuation technique</b>
Equity securities held for trading	The total net asset value as of the Company's portfolio, which is in the monthly report from financial institution.
Investments in mutual fund	The total net asset value as of the Company's portfolio, which is in the monthly report from asset management company.

<b>Type</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurement</b>
Other financial liabilities	Discounted cash flows	Discount rate: (2022: 3.4%-3.9% ;2021: 4.0%-4.7%).	The estimated fair value would increase (decrease) if the adjusted market multiple were higher (lower).

*(b) Financial risk management policies*

*Risk management framework*

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

*(b.1) Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

*(b.1.1) Trade accounts receivables*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered.

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The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 3 months. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivables are disclosed in note 6.

- (b.1.2) Amount due from related parties, short-term loans to related parties, long-term loans and other non-current receivable

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each related party. However, management also considers the factors that may influence the credit risk, including the default risk associated with the industry and country in which they operate. The Group's policy is to provide other accounts receivable and short-term loans only if the related party was judged by management to have low credit risk at initial recognition. Impairment on amount due from related parties and short-term loans have been measured on the 12-month expected loss basis or the lifetime expected loss basis if the Group becomes aware of a significant increase in the related party's credit risk at the reporting date.

The following table presents the exposure to credit risk for amount due from related parties, short-term loans, long-term loans and other non-current receivable at amortised cost. It indicates whether assets measured at amortised cost were subject to a 12-month ECL or lifetime ECL allowance and, in the latter case, whether they were credit-impaired.

	<b>Consolidated financial statements</b>			Total
	12-months ECL	Lifetime ECL-not credit- impaired	Lifetime ECL- credit- impaired	
<i>(in thousand Dollar)</i>				
<b>At 31 December 2022</b>				
Amount due from related parties	-	103	7,542	7,645
Short-term loans	1,250	-	18,350	19,600
Long-term loans	-	-	498	498
	<b>1,250</b>	<b>103</b>	<b>26,390</b>	<b>27,743</b>
Less allowance for expected credit loss	-	-	(26,390)	(26,390)
<b>Net</b>	<b>1,250</b>	<b>103</b>	<b>-</b>	<b>1,353</b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
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	<b>Consolidated financial statements</b>			Total
	12-months ECL	Lifetime ECL-not credit- impaired <i>(in thousand Dollar)</i>	Lifetime ECL- credit- impaired	
<b><i>At 31 December 2021</i></b>				
Amount due from related parties	-	65	7,542	7,607
Short-term loans	-	-	18,350	18,350
Long-term loans	1,082	-	498	1,580
	<b>1,082</b>	<b>65</b>	<b>26,390</b>	<b>27,537</b>
<i>Less</i> allowance for expected credit loss	-	-	(26,390)	(26,390)
<b>Net</b>	<b>1,082</b>	<b>65</b>	<b>-</b>	<b>1,147</b>

	<b>Consolidated financial statements</b>			Total
	12-months ECL	Lifetime ECL-not credit- impaired <i>(in thousand Baht)</i>	Lifetime ECL- credit- impaired	
<b><i>At 31 December 2022</i></b>				
Amount due from related parties	-	3,560	260,670	264,230
Short-term loans	43,203	-	634,220	677,423
Long-term loans	-	-	17,212	17,212
	<b>43,203</b>	<b>3,560</b>	<b>912,102</b>	<b>958,865</b>
<i>Less</i> allowance for expected credit loss	-	-	(912,102)	(912,102)
<b>Net</b>	<b>43,203</b>	<b>3,560</b>	<b>-</b>	<b>46,763</b>

<b><i>At 31 December 2021</i></b>				
Amount due from related parties	-	2,172	252,053	254,225
Short-term loans	-	-	613,255	613,255
Long-term loans	36,160	-	16,643	52,803
	<b>36,160</b>	<b>2,172</b>	<b>881,951</b>	<b>920,283</b>
<i>Less</i> allowance for expected credit loss	-	-	(881,951)	(881,951)
<b>Net</b>	<b>36,160</b>	<b>2,172</b>	<b>-</b>	<b>38,332</b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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<b>Consolidated financial statements</b>				
<i>Movement of allowance for expected credit loss</i>	Amount due from related parties	Short-term loans (in thousand Dollar)	Long-term loans	Total
<i>Lifetime ECL credit impaired</i>				
At 1 January 2021	7,542	18,350	498	26,390
<b>At 31 December 2021 and at 1 January 2022</b>	<b>7,542</b>	<b>18,350</b>	<b>498</b>	<b>26,390</b>
<b>At 31 December 2022</b>	<b>7,542</b>	<b>18,350</b>	<b>498</b>	<b>26,390</b>

<b>Consolidated financial statements</b>				
<i>Movement of allowance for expected credit loss</i>	Amount due from related parties	Short-term loans (in thousand Baht)	Long-term loans	Total
<i>Lifetime ECL credit impaired</i>				
At 1 January 2021	226,540	551,181	14,958	792,679
Translation adjustment	25,513	62,074	1,685	89,272
<b>At 31 December 2021 and at 1 January 2022</b>	<b>252,053</b>	<b>613,255</b>	<b>16,643</b>	<b>881,951</b>
Translation adjustment	8,617	20,965	569	30,151
<b>At 31 December 2022</b>	<b>260,670</b>	<b>634,220</b>	<b>17,212</b>	<b>912,102</b>

<b>Separate financial statements</b>				
<i>At 31 December 2022</i>	12-months ECL	Lifetime ECL-not credit-impaired (in thousand Dollar)	Lifetime ECL-credit-impaired	Total
Amount due from related parties	-	253	4,246	4,499
Short-term loans	1,250	-	6,832	8,082
Other non-current receivable	-	-	51,966	51,966
Long-term loan	-	-	52,485	52,485
	<b>1,250</b>	<b>253</b>	<b>115,529</b>	<b>117,032</b>
Less allowance for expected credit loss	-	-	(57,423)	(57,423)
<b>Net</b>	<b>1,250</b>	<b>253</b>	<b>58,106</b>	<b>59,609</b>

# Mermaid Maritime Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

	12-months ECL	Separate financial statements		Total
		Lifetime ECL-not credit- impaired <i>(in thousand Dollar)</i>	Lifetime ECL- credit- impaired	
<b>At 31 December 2021</b>				
Amount due from related parties	-	5,151	3,979	9,130
Short-term loans	-	-	6,127	6,127
Other non-current receivable	-	-	42,747	42,747
Long-term loan	-	-	55,361	55,361
	<u>-</u>	<u>5,151</u>	<u>108,214</u>	<u>113,365</u>
Less allowance for expected credit loss	-	-	(59,045)	(59,045)
<b>Net</b>	<u>-</u>	<u>5,151</u>	<u>49,169</u>	<u>54,320</u>

	12-months ECL	Separate financial statements		Total
		Lifetime ECL- not credit- impaired <i>(in thousand Baht)</i>	Lifetime ECL- credit- impaired	
<b>At 31 December 2022</b>				
Amount due from related parties	-	8,744	146,751	155,495
Short-term loans	43,203	-	236,130	279,333
Other non-current receivable	-	-	1,796,070	1,796,070
Long-term loan	-	-	1,814,008	1,814,008
	<u>43,203</u>	<u>8,744</u>	<u>3,992,959</u>	<u>4,044,906</u>
Less allowance for expected credit loss	-	-	(1,984,677)	(1,984,677)
<b>Net</b>	<u>43,203</u>	<u>8,744</u>	<u>2,008,282</u>	<u>2,060,229</u>

<b>At 31 December 2021</b>				
Amount due from related parties	-	172,146	132,979	305,125
Short-term loans	-	-	204,764	204,764
Other non-current receivable	-	-	1,428,600	1,428,600
Long-term loan	-	-	1,850,159	1,850,159
	<u>-</u>	<u>172,146</u>	<u>3,616,502</u>	<u>3,788,648</u>
Less allowance for expected credit loss	-	-	(1,973,278)	(1,973,278)
<b>Net</b>	<u>-</u>	<u>172,146</u>	<u>1,643,224</u>	<u>1,815,370</u>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

<i>Movement of allowance for expected credit loss</i>	Amount due from related parties	Separate financial statements			Total
		Short-term loans	Other non-current receivable	Long-term loans	
<i>(in thousand Dollar)</i>					
<b>Lifetime ECL credit impaired</b>					
At 1 January 2021	2,809	7,127	30,638	23,994	64,568
Unrealised losses on exchange	-	-	(3,094)	(1,429)	(4,523)
Write off	-	(1,000)	-	-	(1,000)
<b>At 31 December 2021 and at 1 January 2022</b>	<b>2,809</b>	<b>6,127</b>	<b>27,544</b>	<b>22,565</b>	<b>59,045</b>
Unrealised losses on exchange	-	-	(909)	(713)	(1,622)
<b>At 31 December 2022</b>	<b>2,809</b>	<b>6,127</b>	<b>26,635</b>	<b>21,852</b>	<b>57,423</b>

<i>Movement of allowance for expected credit loss</i>	Amount due from related parties	Separate financial statements			Total
		Short-term loans	Other non-current receivable	Long-term loans	
<i>(in thousand Baht)</i>					
<b>Lifetime ECL credit impaired</b>					
At 1 January 2021	84,374	214,074	920,277	720,710	1,939,435
Unrealised losses on exchange	-	-	(97,260)	(46,100)	(143,360)
Write-off	-	(30,257)	-	-	(30,257)
Translation adjustment	9,502	20,947	97,501	79,510	207,460
<b>At 31 December 2021 and at 1 January 2022</b>	<b>93,876</b>	<b>204,764</b>	<b>920,518</b>	<b>754,120</b>	<b>1,973,278</b>
Unrealised losses on exchange	-	-	(30,369)	(23,818)	(54,187)
Translation adjustment	3,210	7,000	30,421	24,955	65,586
<b>At 31 December 2022</b>	<b>97,086</b>	<b>211,764</b>	<b>920,570</b>	<b>755,257</b>	<b>1,984,677</b>

(b.1.3) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited which the Group considers to have low credit risk.

(b.1.4) Guarantees

The Group's policy is to provide financial guarantees only for subsidiaries' liabilities. At 31 December 2022, the Group has issued a guarantee to certain banks in respect of credit facilities granted to a subsidiary.

(b.2) Liquidity risk

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

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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**For the year ended 31 December 2022**

<i>At 31 December</i>	<b>Consolidated financial statements</b>			
	Carrying amount	Contractual cash flows		
		1 year or less <i>(in thousand Dollar)</i>	More than 1 years but less than 5 years	Total
<b>2022</b>				
<b><i>Non-derivative financial liabilities</i></b>				
Trade and other accounts payable	54,178	54,178	-	54,178
Borrowings from parent company	9,000	9,000	-	9,000
Borrowings from financial institution	32,484	14,209	18,275	32,484
Lease liabilities	29,812	8,683	21,129	29,812
	<b><u>125,474</u></b>	<b><u>86,070</u></b>	<b><u>39,404</u></b>	<b><u>125,474</u></b>
<b>2021</b>				
<b><i>Non-derivative financial liabilities</i></b>				
Trade and other accounts payable	42,763	42,763	-	42,763
Borrowings from parent company	5,000	3,000	2,000	5,000
Borrowings from financial institution	46,694	14,209	32,485	46,694
Lease liabilities	201	123	78	201
	<b><u>94,658</u></b>	<b><u>60,095</u></b>	<b><u>34,563</u></b>	<b><u>94,658</u></b>

<i>At 31 December</i>	<b>Consolidated financial statements</b>			
	Carrying amount	Contractual cash flows		
		1 year or less <i>(in thousand Baht)</i>	More than 1 years but less than 5 years	Total
<b>2022</b>				
<b><i>Non-derivative financial liabilities</i></b>				
Trade and other accounts payable	1,872,521	1,872,521	-	1,872,521
Borrowings from parent company	311,062	311,062	-	311,062
Borrowings from financial institution	1,122,725	491,097	631,628	1,122,725
Lease liabilities	1,030,374	300,105	730,269	1,030,374
	<b><u>4,336,682</u></b>	<b><u>2,974,785</u></b>	<b><u>1,361,897</u></b>	<b><u>4,336,682</u></b>
<b>2021</b>				
<b><i>Non-derivative financial liabilities</i></b>				
Trade and other accounts payable	1,429,134	1,429,134	-	1,429,134
Borrowings from parent company	167,100	100,260	66,840	167,100
Borrowings from financial institution	1,560,508	474,863	1,085,645	1,560,508
Lease liabilities	6,718	4,111	2,607	6,718
	<b><u>3,163,460</u></b>	<b><u>2,008,368</u></b>	<b><u>1,155,092</u></b>	<b><u>3,163,460</u></b>

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
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<i>At 31 December</i>	<b>Separate financial statements</b>			Total
	Carrying amount	1 year or less	Contractual cash flows More than 1 years but less than 5 years	
<i>(in thousand Dollar)</i>				
<b>2022</b>				
<b><i>Non-derivative financial liabilities</i></b>				
Other accounts payable	706	706	-	706
Borrowings from parent company	9,000	9,000	-	9,000
Lease liabilities	245	106	139	245
	<u><b>9,951</b></u>	<u><b>9,812</b></u>	<u><b>139</b></u>	<u><b>9,951</b></u>
<b>2021</b>				
<b><i>Non-derivative financial liabilities</i></b>				
Other accounts payable	714	714	-	714
Borrowings from parent company	5,000	3,000	2,000	5,000
Lease liabilities	200	122	78	200
	<u><b>5,914</b></u>	<u><b>3,836</b></u>	<u><b>2,078</b></u>	<u><b>5,914</b></u>

<i>At 31 December</i>	<b>Separate financial statements</b>			Total
	Carrying amount	1 year or less	Contractual cash flows More than 1 years but less than 5 years	
<i>(in thousand Baht)</i>				
<b>2022</b>				
<b><i>Non-derivative financial liabilities</i></b>				
Other accounts payable	24,401	24,401	-	24,401
Borrowings from parent company	311,062	311,062	-	311,062
Lease liabilities	8,468	3,664	4,804	8,468
	<u><b>343,931</b></u>	<u><b>339,127</b></u>	<u><b>4,804</b></u>	<u><b>343,931</b></u>
<b>2021</b>				
<b><i>Non-derivative financial liabilities</i></b>				
Other accounts payable	23,861	23,861	-	23,861
Borrowings from parent company	167,100	100,260	66,840	167,100
Lease liabilities	6,684	4,077	2,607	6,684
	<u><b>197,645</b></u>	<u><b>128,198</b></u>	<u><b>69,447</b></u>	<u><b>197,645</b></u>

**(b.3) Market risk**

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

***Managing interest rate benchmark reform (IBOR reform)***

The Group monitors the progress of transition from IBOR to new benchmark rate by reviewing the total amounts of contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause.

The following table shows the total amounts of financial instruments that have yet to transition to an alternative benchmark rates. The amounts of financial assets and financial liabilities are shown at their carrying amounts and derivatives are shown at their notional amounts.

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<i>Key reference rate under the existing contracts</i>	<b>Consolidated financial statements</b>	
	LIBOR <i>(in thousand Dollar)</i>	<i>(in thousand Baht)</i>
<i>At 31 December 2022</i>		
Borrowings from financial institution	32,484	1,122,725

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies.

<i>Exposure to foreign currency</i>	<b>Consolidated financial statements</b>			
	2022 <i>(in thousand US Dollar)</i>			
<i>At 31 December</i>	THB	AED	GBP	SAR
Financial assets	453	61	6,653	32,142
Financial liabilities	<u>(5,310)</u>	<u>(1,155)</u>	<u>(7,596)</u>	<u>(19,124)</u>
<b>Net exposure</b>	<b><u>(4,857)</u></b>	<b><u>1,094</u></b>	<b><u>(943)</u></b>	<b><u>13,018</u></b>

<i>Exposure to foreign currency</i>	<b>Consolidated financial statements</b>			
	2021 <i>(in thousand US Dollar)</i>			
<i>At 31 December</i>	THB	AED	GBP	SAR
Financial assets	736	98	-	30,944
Financial liabilities	<u>(2,830)</u>	<u>(241)</u>	<u>-</u>	<u>(20,041)</u>
<b>Net exposure</b>	<b><u>(2,094)</u></b>	<b><u>(143)</u></b>	<b><u>-</u></b>	<b><u>10,903</u></b>

<i>Exposure to foreign currency</i>	<b>Separate financial statements</b>	
	2022 <i>(in thousand US Dollar)</i>	2021
<i>At 31 December</i>	THB	THB
Financial assets	30,722	33,006
Financial liabilities	<u>(696)</u>	<u>(462)</u>
<b>Net exposure</b>	<b><u>30,026</u></b>	<b><u>32,544</u></b>

*Sensitivity analysis*

A reasonably possible strengthening (weakening) of US Dollar against all other currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
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<b>Consolidated financial statements</b>					
<i>Impact to profit or loss</i>	Movement (%)	Profit or loss		Profit or loss	
		Strengthening <i>(in thousand US Dollar)</i>	Weakening	Strengthening <i>(in thousand Baht)</i>	Weakening
<b>2022</b>					
Thai Baht	10	(540)	442	(18,654)	15,262
The United Arab Emirates Dirham	10	(122)	99	(4,200)	3,437
Great British Pound	10	(105)	86	(3,622)	2,964
Saudi Arabia Riyal	10	1,446	(1,183)	49,993	(40,903)
<b>2021</b>					
Thai Baht	10	(233)	190	(7,774)	6,360
The United Arab Emirates Dirham	10	(16)	13	(531)	435
Saudi Arabia Riyal	10	1,211	(991)	40,485	(33,124)

<b>Separate financial statements</b>					
<i>Impact to profit or loss</i>	Movement (%)	Profit or loss		Profit or loss	
		Strengthening <i>(in thousand US Dollar)</i>	Weakening	Strengthening <i>(in thousand Baht)</i>	Weakening
<b>2022</b>					
Thai Baht	10	3,336	(2,730)	115,307	(94,343)
<b>2021</b>					
Thai Baht	10	3,616	(2,958)	129,841	(98,870)

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates (*see note 12*) are mainly variable. So the Group is primarily exposed to interest rate risk.

<i>Exposure to interest rate risk</i> <i>At 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2022	2021	2022	2021
<i>Financial instruments with variable interest rates</i>				
Long-term borrowings from financial institution	<u>32,484</u>	<u>46,694</u>	<u>1,122,725</u>	<u>1,560,508</u>

**19 Capital management**

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital.

**Mermaid Maritime Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**20 Guarantees**

As at 31 December 2022 and 2021, the Group and the Company had outstanding guarantees as follows:

	<b>Consolidated financial statements</b>					
		2022			2021	
	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	78,925	26,063	25	400	12,561	500
Guarantee for long-term borrowings of subsidiary to financial institution	-	32,583	-	-	46,854	-

  

	<b>Separate financial statements</b>			
		2022		2021
	thousand Baht	thousand USD	thousand Baht	thousand USD
Letters of guarantee issued by financial institutions in the normal course of business	-	-	400	-
Guarantee for long-term borrowings of subsidiary to financial institution	-	32,583	-	46,854

**21 Other events**

The Group, through its other indirect subsidiary Seascope Surveys Pte. Ltd. (“SSS”), is a party to or involved in a legal proceeding in Indonesia related to the shareholdings and management affairs of PT Seascope Surveys Indonesia (“PTSSI”). A tort lawsuit was filed in the South Jakarta District Court by SSS alleging that the defendants and co-defendants had engaged in unlawful acts related to the transfer of ownership of 368 (46%) shares in PTSSI. The trial will proceed to the hearing of lawsuit.

**22 Commitments with non-related parties**

	<b>Consolidated financial statements</b>			
	2022	2021	2022	2021
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<b>Other commitments</b>				
Short-term lease commitments	256	304	8,848	10,160
Long-term lease commitments	120	-	4,147	-
<b>Total</b>	<b>376</b>	<b>304</b>	<b>12,995</b>	<b>10,160</b>

**23 Events after the reporting period**

*Short-term loan from parent company*

On 7 February 2023, the Company entered into loan agreement with the parent company of US Dollar 7.5 million with interest rate at 7% per annum. The total amount was fully drawdown on 10 February 2023. According to the loan agreement, the purpose is to be utilized for working capital and the maturity date is on call.