
MICLYN EXPRESS OFFSHORE LIMITED
(Registration number 42388)

REPORT AND FINANCIAL STATEMENTS

HALF YEAR ENDED 31 DECEMBER 2014

REPORT AND FINANCIAL STATEMENTS

C O N T E N T S

	<u>PAGE</u>
Directors' Report	1
Statement of Directors	2
Independent auditors' review report	3
Condensed consolidated statement of comprehensive income	4
Condensed consolidated statement of financial position	5
Condensed consolidated statement of changes in equity	6 - 7
Condensed consolidated statement of cash flows	8 - 9
Notes to condensed consolidated financial statements	10 – 20

DIRECTORS' REPORT

The directors of Miclyn Express Offshore Limited (the "Company") submit herewith the Directors' Report for the half-year ended 31 December 2014. The Directors' Report is as follows: -

DIRECTORS

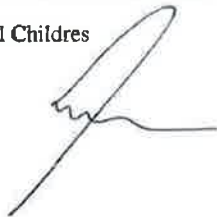
The names of the directors of the Company during and as at the end of the half year are:

- | | |
|-------------------------------|--|
| • Paul Kang | - Co-Chairman, Non-Independent, Non-Executive Director |
| • Nathaniel Childres | - Co-Chairman, Non-Independent, Non-Executive Director |
| • Diederik Christiaan de Boer | - Chief Executive Officer, Executive Director |
| • Shane Gong | - Non-Independent Director |
| • Jessica Lau | - Non-Independent Director |
| • Dr Chew Kia Ngee | - Independent Director |
| • Richard Lorentz | - Independent Director |

Signed in accordance with a resolution of the Directors.



Nathaniel Childres



Diederik Christiaan de Boer

27 FEB 2015

MICLYN EXPRESS OFFSHORE LIMITED

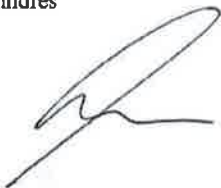
STATEMENT OF DIRECTORS

In the opinion of the directors, the condensed consolidated financial statements of the Group as set out on pages 4 to 20 are drawn up so as to give a true and fair view of the state of affairs of the Group for the half-year ended 31 December 2014 and of the results, changes in equity and cash flows of the Group for the half-year then ended and at the date of this statement, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

ON BEHALF OF THE BOARD OF DIRECTORS



Nathaniel Childres



Diederik Christiaan de Boer

27 FEB 2015

INDEPENDENT AUDITORS' REVIEW REPORT

TO THE MEMBER OF MICLYN EXPRESS OFFSHORE LIMITED

Introduction

We have reviewed the accompanying half-year condensed consolidated financial statements of Miclyn Express Offshore Limited and its subsidiaries (the "Group"), which comprise the condensed consolidated statement of financial position of the Group as at 31 December 2014, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, and condensed consolidated statement of cash flows of the Group for the half-year ended 31 December 2014 and selected explanatory information, as set out on pages 4 to 20.

Management is responsible for the preparation and presentation of these half-year condensed consolidated financial statements in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of half-year financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-year condensed consolidated financial statements does not present fairly, in all material respects, the financial position of the Group as at 31 December 2014, and its financial performance and its cash flows for the half-year period then ended in accordance with IAS 34.



Public Accountants and
Chartered Accountants
Singapore

27 February 2015

Financial report
for the half-year ended 31 December 2014

Condensed consolidated statement of comprehensive income

	Note	Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2013 US\$'000
Revenue		142,893	113,812
Cost of sales		(97,788)	(69,213)
Gross profit		45,105	44,599
Other gains and losses		2,272	2,166
Administration expenses	3	(20,344)	(17,544)
Finance costs		(12,871)	(9,334)
Share of profit from joint ventures	4	4,312	4,616
Profit before tax	5	18,474	24,503
Income tax expense		(1,701)	(1,718)
NET PROFIT FOR THE HALF-YEAR		16,773	22,785
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		(6,273)	(2,564)
Cash flow hedges		(380)	-
Other comprehensive loss for the half-year, net of tax		(6,653)	(2,564)
TOTAL COMPREHENSIVE INCOME FOR THE HALF-YEAR		10,120	20,221
Net profit attributable to:			
Owners of the Company		17,715	21,423
Non-controlling interests		(942)	1,362
		16,773	22,785
Total comprehensive income attributable to:			
Owners of the Company		11,062	18,859
Non-controlling interests		(942)	1,362
		10,120	20,221

Financial report
for the half-year ended 31 December 2014

Condensed consolidated statement of financial position

	Note	31 December 2014 US\$'000	30 June 2014 US\$'000
Assets			
<i>Current assets</i>			
Cash and cash equivalents		21,529	19,259
Trade and other receivables	6	97,034	104,412
Loan to immediate holding company	7	139,165	139,165
Inventories and work in progress		9,188	7,417
Total current assets		266,916	270,253
<i>Non-current assets</i>			
Investment in joint ventures	4	61,111	61,349
Property, plant and equipment	8	574,639	490,014
Intangible assets	9	56,774	60,557
Derivative financial instruments	10	-	2,317
Other non current assets		238	-
Deferred tax assets		434	519
Total non-current assets		693,196	614,756
Total assets		960,112	885,009
Liabilities			
<i>Current liabilities</i>			
Trade and other payables		64,261	62,772
Borrowings	11	19,259	13,539
Current tax liabilities		3,337	3,968
Provisions		289	289
Total current liabilities		87,146	80,568
<i>Non-current liabilities</i>			
Borrowings	11	288,489	228,376
Provisions		284	450
Senior secured guaranteed bonds	12	143,509	151,212
Derivative financial instruments	10	7,557	-
Deferred tax liabilities		128	149
Total non-current liabilities		439,967	380,187
Total liabilities		527,113	460,755
Net assets		432,999	424,254
Equity			
<i>Capital and reserves</i>			
Share capital		-	-
Share premium		-	-
Reserves		128,167	136,391
Retained earnings		305,325	287,610
Equity attributable to owners of the Company		433,492	424,001
Non-controlling interests		(493)	253
Total equity		432,999	424,254

* Amount is less than US\$1,000

**Financial report
for the half-year ended 31 December 2014**

Condensed consolidated statement of changes in equity

	Share capital US\$'000	Share premium US\$'000	Other equity reserves US\$'000	Translation reserve US\$'000	Hedging reserve US\$'000	Share- based payments reserve US\$'000	Retained earnings US\$'000	Attributable to owners of the Company US\$'000	Non- controlling interests US\$'000	Total US\$'000
Balance at 1 July 2013	27,786	162,613	(45,143)	(4,059)	-	2,353	238,347	381,897	1,528	383,425
Profit for the period	-	-	-	-	-	-	21,423	21,423	1,362	22,785
Other comprehensive loss for the period, net of tax	-	-	-	(2,564)	-	-	-	(2,564)	-	(2,564)
Total comprehensive income for the period	-	-	-	(2,564)	-	-	21,423	18,859	1,362	20,221
Transaction with owners, recognised directly in equity										
Issue of share capital ⁽¹⁾	21	409	-	-	-	(430)	-	-	-	-
Adjustment for amalgamation (Note 2)	(27,807)	(163,022)	190,829	-	-	-	-	-	-	-
Transfer to other equity reserve	-	-	1,046	-	-	(1,046)	-	-	-	-
Settlement of share based payments	-	-	-	-	-	(1,236)	-	(1,236)	-	(1,236)
Recognition of share-based payment	-	-	-	-	-	359	-	359	-	359
Balance at 31 December 2013	*	-	146,732	(6,623)	-	-	259,770	399,879	2,890	402,769

⁽¹⁾ On 26 September 2013, there was an issue of 216,000 ordinary shares with par value of US\$0.09 (A\$0.10) of the Company for settlement of consideration relating to share-based payments.

* Amount is less than US\$1,000

Financial report
for the half-year ended 31 December 2014

Condensed consolidated statement of changes in equity (continued)

	Share capital US\$'000	Share premium US\$'000	Other equity reserves US\$'000	Translation reserve US\$'000	Hedging reserve US\$'000	Share-based payments reserve US\$'000	Retained earnings US\$'000	Attributable to owners of the Company US\$'000	Non-controlling interests US\$'000	Total US\$'000
Balance at 1 July 2014	-*	-	142,752	(6,394)	33	-	287,610	424,001	253	424,254
Profit for the period	-	-	-	-	-	-	17,715	17,715	(942)	16,773
Other comprehensive loss for the period, net of tax	-	-	-	(6,273)	(380)	-	-	(6,653)	-	(6,653)
Total comprehensive income for the period	-	-	-	(6,273)	(380)	-	17,715	11,062	(942)	10,120
Transaction with owners, recognised directly in equity										
Effect of acquiring part of non-controlling interest in a subsidiary ⁽²⁾	-	-	(1,921)	-	-	-	-	(1,921)	196	(1,725)
Recognition of share-based payment	-	-	-	-	-	350	-	350	-	350
Balance at 31 December 2014	-*	-	140,831	(12,667)	(347)	350	305,325	433,492	(493)	432,999

⁽²⁾ During the financial period, the Group made payment to the non-controlling shareholders of its pipe transportation subsidiary, Express Offshore Solutions Pte Ltd ("EOS") for the purchase of the remaining 30% shareholding in the company.

* Amount is less than US\$1,000

Financial report
for the half-year ended 31 December 2014

Condensed consolidated statement of cash flows

	Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2013 US\$'000
Cash flows from operating activities		
Profit for the half-year	16,773	22,785
Adjustments for:		
Income tax expense recognised in profit	1,701	1,718
Share of profit of joint ventures	(4,312)	(4,616)
Amortisation of provisions	(166)	(166)
Amortisation of intangible assets	157	111
Amortisation of drydocking expenditure	3,328	2,208
Depreciation of property, plant and equipment	11,712	9,370
Amortisation of vessels mob/demob expense	671	1,731
Allowance for doubtful debts	1,672	392
Gain on disposal of property, plant and equipment (net)	(734)	(325)
Interest expense	12,780	8,974
Interest income	(45)	(50)
Expense recognised in respect of share-based payments	350	359
Unrealised currency translation gain/(loss)	137	(17)
	<u>44,024</u>	<u>42,474</u>
Movements in working capital		
Decrease in trade and other receivables	3,262	4,560
Increase in inventories	(1,874)	(632)
Decrease in trade and other payables	<u>5,886</u>	<u>5,003</u>
Cash generated from operations	51,298	51,405
Income tax paid	(1,152)	(451)
Interest paid	<u>(9,940)</u>	<u>(2,925)</u>
Net cash generated from operating activities	<u>40,206</u>	<u>48,029</u>
Cash flows from investing activities		
Interest received	45	50
Proceeds from disposal of property, plant and equipment	5,564	2,539
Payments for property, plant and equipment	(105,751)	(38,701)
Payment for intangible assets	(78)	-
Acquisition of shares in subsidiary from non-controlling interest	(1,921)	-
Loan to immediate holding company	-	(137,613)
Investment in joint ventures	-	(18,900)
Share issued by subsidiary to non-controlling interest	<u>195</u>	<u>-</u>
Net cash used in investing activities	<u>(101,946)</u>	<u>(192,625)</u>

**Financial report
for the half-year ended 31 December 2014**

Condensed consolidated statement of cash flows (continued)

	Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2013 US\$'000
Cash flows from financing activities		
Net proceeds from issue of bond	-	159,350
Net proceeds of borrowings	109,800	264,634
Upfront expenses due to bonds and borrowings	(524)	(21,459)
Settlement of share based payments	-	(1,236)
Repayment of borrowings	(44,505)	(241,214)
Net cash generated from financing activities	64,771	160,075
Net increase in cash and cash equivalents	3,031	15,479
Cash and cash equivalents at the beginning of the half-year	19,259	14,567
Effects of exchange rate changes on the balance of cash held in foreign currencies	(761)	(282)
Cash and cash equivalents at the end of the half-year	21,529	29,764

Notes to the Condensed Consolidated Financial Statements

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with International Accounting Standard (“IAS”) IAS 34 *Interim Financial Reporting*. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Adoption of new and revised accounting standards

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company’s 2014 annual financial report for the financial year ended 30 June 2014.

The new or revised International Financial Reporting Standards (“IFRS”) and Interpretations of International Financial Reporting Standards, which became mandatory as of 1 July 2014, do not result in substantial changes to the Group’s accounting policies.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments stated at fair value at the end of each reporting period. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in United States dollars, rounded to the nearest thousand, unless otherwise noted.

The Group’s operations are not significantly affected by seasonality, nor are they of a cyclical nature.

2. Accounting for Amalgamation

On 16 December 2013, Miclyn Express Offshore Limited (“MEOL”) announced an amalgamation with Manta 2 Holdings Limited (a wholly-owned subsidiary of Manta Holding Limited, an entity jointly owned by two existing significant shareholders of MEOL), in accordance with the Companies Act 1981 of Bermuda and the Amalgamation Agreement dated 13 November 2013 entered into amongst MEOL, Manta 2 Holdings Limited and Manta Holdings Limited. Subsequently, Manta Holdings Limited became the parent of MEOL.

In substance, the transaction was an administrative restructuring of MEOL Group to facilitate MEOL Group’s delisting from the Australian Securities Exchange (“ASX”) and the raising of debt financing.

The major implications of the accounting for the Amalgamation are that condensed consolidated financial statements are prepared in the name of the amalgamated company, MEOL, however comparatives are provided as though the transaction represents a continuation of the financial statements of MEOL Group and accordingly:

1. the assets and liabilities are recognised and measured in these condensed consolidated financial statements at the carrying amounts of the existing MEOL Group;
2. the retained earnings and other equity balances recognised in these consolidated financial statements are the existing retained earnings and other equity balances of MEOL Group;
3. the amount recognised as issued equity instruments in these consolidated financial statements is that of Manta 2 Holdings Limited and the previous issued equity recorded in the MEOL Group financial statements immediately before the Amalgamation are transferred to other equity reserves; and
4. comparative information presented in these consolidated financial statements is that of MEOL Group.

**Financial report
for the half-year ended 31 December 2014**

3. Administration expenses

	Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2013 US\$'000
Staff and related costs	13,107	11,532
Allowance for doubtful debts	1,672	392
Professional fees	1,611	931
Office rental	831	811
Depreciation & amortisation	548	564
Other admin operating expense	2,575	3,314
	<u>20,344</u>	<u>17,544</u>

4. Joint ventures

	31 December 2014 US\$'000	30 June 2014 US\$'000
Investment in joint ventures	38,784	39,884
Share of post-acquisition profit, net of dividend received	22,327	21,465
	<u>61,111</u>	<u>61,349</u>

**Financial report
for the half-year ended 31 December 2014**

4. Joint ventures (continued)

The details of joint ventures are as follows:

Name of joint ventures and country of incorporation and operation	Principal activities	Effective equity interest held	
		31 December 2014	30 June 2014
		%	%
Uniwise Holdings Limited Thailand	Investment holding	37.5	37.5
Uniwise Offshore Limited Thailand	Offshore support vessel business	50.0	50.0
Alliance Offshore Service Limited Hong Kong *	Ship owner and charterer	-	50.0
Alliance Offshore Services Pte Ltd Singapore	Owner and charterer of vessels and barges	50.0	50.0
Uniwise Marine Services Holdings Limited Thailand **	Investment holding	37.5	-
Uniwise Towage Limited Thailand **	Offshore support vessel business	50.0	-

* Liquidated during the half-year.

** Acquired during the previous half-year for a total consideration of US\$ 18,900,000.

Summarised financial information in respect of the Group's joint ventures is set out below:

	31 December 2014	30 June 2014
	US\$'000	US\$'000
Total assets	178,141	157,004
Total liabilities	(55,919)	(34,306)
Net assets	122,222	122,698
Group's share of joint ventures net assets	61,111	61,349

	31 December 2014	31 December 2013
	US\$'000	US\$'000
Revenue	23,934	21,386
Profit for the year	8,624	9,232
Group's share of joint ventures' profit	4,312	4,616

**Financial report
for the half-year ended 31 December 2014**

5. Profit before tax

	Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2013 US\$'000
Profit before tax for the half-year includes:		
a) Revenue from operations		
Charter revenue	100,109	87,457
Mobilisation/demobilisation income	286	4,196
Ship management income	2,161	1,145
Ship repair income	-	158
Radio and communication income	122	103
Moorings income	21	131
Project pipes transportation	39,255	20,239
Vessel customisation income	939	383
	<u>142,893</u>	<u>113,812</u>
b) Other gains and losses		
Gain on disposal of property, plant and equipment	734	325
Amortisation of provisions *	166	166
Interest income	45	50
Sundry income	149	204
Equipment rental income	-	15
Management income	25	-
Net foreign exchange losses	1,153	1,406
	<u>2,272</u>	<u>2,166</u>
c) Depreciation and amortisation		
Depreciation of property, plant and equipment	11,712	9,370
Amortisation of drydocking expenditure	3,328	2,208
Amortisation of vessels mob/demob expense	671	1,731
	<u>15,711</u>	<u>13,309</u>
Amortisation of intangible assets	157	111
	<u>15,868</u>	<u>13,420</u>

* Provisions represent the fair value of existing fixed rate contracts with customers at date of acquisition of subsidiaries. Amortisation is provided based on the remaining contract lease period of the off-market contracts, ranging from 5 to 9.5 years.

**Financial report
for the half-year ended 31 December 2014**

6. Trade and other receivables

	31 December 2014 US\$'000	30 June 2014 US\$'000
Trade receivables, net	71,428	94,119
Advances	1,942	1,213
Other receivables	7,138	1,522
Prepayments	5,076	3,574
Deposits	2,264	1,644
Insurance claims	3,018	368
Tax recoverable	89	98
Non trade receivables due from related parties (Note 15)	6,079	1,874
	<u>97,034</u>	<u>104,412</u>

7. Loan to immediate holding company

The Group entered into an agreement to provide a loan facility in the aggregate principal amount up to US\$150 million to Manta Holdings Limited, the immediate holding company of the Group which will expire on 12 December 2023. The loan is unsecured, interest-free and repayable on demand.

8. Property, plant and equipment

During the half-year period, the Group acquired US\$105,751,000 of new additions to property, plant and equipment, including US\$92,720,000 of vessel additions. During the same period, the Group disposed of property, plant and equipment with net book value of US\$4,825,000, which comprised solely of vessels.

9. Intangible assets

	31 December 2014 US\$'000	30 June 2014 US\$'000
<u>Composition:</u>		
Goodwill (Note (a))	56,288	59,992
Licences	486	565
	<u>56,774</u>	<u>60,557</u>

(a) Goodwill

	31 December 2014 US\$'000	30 June 2014 US\$'000
<u>Cost and carrying amount:</u>		
Balance at beginning of financial period/year	59,992	59,233
Effect of foreign currency exchange differences	(3,704)	759
Balance at end of the financial period/year	<u>56,288</u>	<u>59,992</u>

**Financial report
for the half-year ended 31 December 2014**

10. Derivative financial instruments

The group utilises currency derivatives to hedge significant future transactions and cash flows. As at 31 December 2014, the Group is party to one forward foreign exchange contract which was entered into to hedge the foreign exchange movements in relation to the Singapore dollar denominated bond.

The fair value of the forward foreign exchange contracts that is designated and effective as a cash flow hedge amounting to negative US\$7,557,000 (30 June 2014: positive US\$2,317,000) has been recognised in other comprehensive income. The fair value hierarchy for these financial instruments is Level 2.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as estimated discounted cash flows, are also used to determine the fair values of the financial instruments.

The following table details the forward foreign currency contracts outstanding as at the end of the reporting period.

	Foreign Currency		Contract Value		Fair Value	
	31 December 2014	30 June 2014	31 December 2014	30 June 2014	31 December 2014	30 June 2014
	SGD\$'000	SGD\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Buy S\$	200,000	200,000	158,153	158,153	(7,557)	2,317

11. Borrowings

	31 December 2014	30 June 2014
	US\$'000	US\$'000
Secured - at amortised cost		
<u>Current</u>		
Bank loans	19,251	13,531
Finance lease liabilities	8	8
	<u>19,259</u>	<u>13,539</u>
<u>Non Current</u>		
Bank loans	288,480	228,362
Finance lease liabilities	9	14
	<u>288,489</u>	<u>228,376</u>
Total	<u>307,748</u>	<u>241,915</u>

Terms of outstanding loans are as follows:

	Interest rate	Year of Maturity	31 December 2014	30 June 2014
			US\$'000	US\$'000
Secured bank loans				
- USD syndicated revolving credit facility	LIBOR + 2.75%	2018	28,475	-
- USD syndicated revolving credit facility	LIBOR + 2.60%	2018	132,128	95,197
- USD syndicated revolving credit facility	LIBOR + 2.60%	2018	147,128	146,696
			<u>307,731</u>	<u>241,893</u>

12. Senior secured guaranteed bonds

On 12 December 2013, MEOL issued senior secured guaranteed bonds which will mature on 12 December 2016 for SGD200.0 million (US\$158.2 million). The bonds bear interest at a fixed rate of 8.50% per annum and are payable semi-annually in arrears on 12 June and 12 December in each year. Payments on the bonds will be made without withholding or deduction for any taxes of Bermuda.

The bonds are secured by 96 existing vessels flagged in Australia, Indonesia, Panama, Malaysia and Singapore. As at 31 December 2014, the effective interest rate was 11.44%.

The fair value of the 8.5% senior secured guaranteed bonds at 31 December 2014 amounted to US\$151 million. The fair value of financial liabilities was based on the quoted closing market prices on the last market day of the reporting period. The fair value hierarchy for these financial instruments is Level 1.

13. Commitments

The Group had the following outstanding commitments:

	31 December 2014 US\$'000	30 June 2014 US\$'000
Capital commitments contracted but not provided for in respect of:		
Expenditure for vessels, contracted for	63,943	76,728

14. Segmental information

The Group's reportable segments under IFRS 8 are offshore support vessels, crew / utility vessels, tugs, barges, coastal survey vessels, third party vessels and project pipe transportation.

(i) Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

	Segment revenue		Segment profit/(loss)	
	Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2013 US\$'000	Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2013 US\$'000
Offshore support vessels	59,208	43,879	21,221	18,940
Crew/utility vessels	30,077	23,586	10,574	11,157
Tugs	5,104	15,669	476	4,662
Barges	11,424	5,182	3,954	2,556
Coastal survey vessels	788	1,559	10	152
Third party vessels	3,628	7,513	390	1,774
Project pipe transportation	39,255	21,214	8,480	5,330
Others	-	158	-	28
	149,484	118,760	45,105	44,599
Eliminations	(6,591)	(4,948)	-	-
Total	142,893	113,812	45,105	44,599
Other gains and losses			2,272	2,166
Central administration costs and directors' salaries			(20,344)	(17,544)
Finance costs			(12,871)	(9,334)
Share of profit from joint ventures			4,312	4,616
Profit before tax			18,474	24,503
Income tax expense			(1,701)	(1,718)
Consolidated profit for the year			16,773	22,785

14. Segmental information (continued)

(ii) Segment assets and liabilities

	31 December 2014	30 June 2014
	US\$'000	US\$'000
Segment assets		
Offshore support vessels	369,156	314,114
Crew / utility vessels	209,916	202,388
Tugs	36,248	47,736
Barges	51,906	49,549
Coastal survey vessels	4,011	4,390
Project pipes transportation	23,797	9,086
Total segment assets	695,034	627,263
Unallocated	265,078	257,746
Consolidated assets	960,112	885,009
Segment liabilities		
Offshore support vessels	33,084	26,285
Crew / utility vessels	16,994	12,859
Tugs	4,254	8,876
Barges	6,732	1,456
Coastal survey vessels	689	359
Project pipes transportation	3,558	814
Total segment liabilities	65,311	50,649
Unallocated	461,802	410,106
Consolidated liabilities	527,113	460,755

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than “cash and cash equivalents”, “other receivables and prepayments”, “intangible assets”, “loan to immediate holding company”, “deferred tax assets” and certain “property, plant and equipment” used for administrative purposes. Goodwill has been allocated to reportable segments. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- all liabilities are allocated to reportable segments other than “borrowings (drawn by a subsidiary of the Group)”, “senior secured guaranteed bonds”, “other financial liabilities” and “current and deferred taxation”. Liabilities for which reportable segments are jointly liable are allocated in proportion to the cost of sales incurred.

14. Segmental information (continued)

(iii) Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2013 US\$'000	Half-year ended 31 December 2014 US\$'000	Year ended 30 June 2014 US\$'000
Offshore support vessels	8,085	6,898	83,293	21,064
Crew / utility vessels	4,313	3,179	10,831	47,500
Tugs	711	847	676	1,644
Barges	1,970	1,282	5,362	6,450
Coastal survey vessels	157	157	35	766
Third party vessels	-	6	-	-
Project pipes transportation	77	40	117	201
Unallocated	555	1,011	5,515	7,960
	<u>15,868</u>	<u>13,420</u>	<u>105,829</u>	<u>85,585</u>

(iv) Geographical information

The Group's vessels carried out work in four principal geographical areas – Asia, Australia, Middle East and Inter-regional.

The Group's revenue from external customers and information about its segment assets by geographical location are detailed below:

	Revenue from external customers		Non-current assets	
	Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2013 US\$'000	31 December 2014 US\$'000	30 June 2014 US\$'000
Asia:				
Indonesia	8,026	9,110	287	214
Malaysia	12,548	13,629	22	35
Singapore	-	1,969	95,192	95,820
Thailand	19,236	15,720	-	-
Rest of Asia	11,327	6,533	32	3,464
Inter-regional ⁽¹⁾	20,505	12,052	-	-
Australia	41,580	32,290	24,578	28,596
Middle East	29,671	22,509	531	311
	<u>142,893</u>	<u>113,812</u>	<u>120,642</u>	<u>128,440</u>
Vessels ⁽²⁾	-	-	529,004	451,439
Vessels in construction/ work in progress ⁽²⁾	-	-	23,382	14,757
Drydocking costs ⁽²⁾	-	-	16,070	15,457
Vessel plant and equipment ⁽²⁾	-	-	4,098	4,663
	<u>142,893</u>	<u>113,812</u>	<u>693,196</u>	<u>614,756</u>

14. Segmental information (continued)

(iv) Geographical information (continued)

- (1) Inter-regional revenue is earned in international waters and is therefore not allocated to a specific country or region.
- (2) The management considers that the nature of the Group's business precludes a meaningful allocation of vessels and related assets to specific geographical segments as defined under IFRS 8. These vessels, together with the related drydocking costs and vessel equipment are primarily chartered across geographic markets.

(v) Information about major customers

Included in Group's revenue for the half-year period are:

- Revenue from Offshore Support Vessels and Crew/utility Vessels of US\$ 18,683,000 (2013: US\$14,862,000) derived from a customer;
- Revenue from Offshore Support Vessels, Crewboats, Barges, Project Pipes Transportation and Shipyard services of US\$ 3,636,000 (2013: US\$16,712,000) derived from another customer.

15. Related party transactions

Some of the Group's transactions and arrangements are with related parties on terms agreed between the parties and the effect of these transactions is reflected in these financial statements on that basis. The balances are unsecured, interest-free and repayable on demand, unless otherwise stated.

During the period, the Group entered into the following transactions with related parties:

	Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2013 US\$'000
<u>Joint-ventures of the Group</u>		
Charter hire income	(9)	-
Repair income	(34)	(42)
Management fee income	(873)	(401)
Interest income	(76)	(23)
Sundry income	(2)	(43)
Charter hire expenses	256	-
Repair expenses	4	14
Interest expenses	30	6
Management fee expenses	929	587