



MERMAID MARITIME PUBLIC COMPANY LIMITED

บริษัท เมอร์เมด มารีไทม์ จำกัด (มหาชน)

(Reg. No. 0107550000017)

26/28-29, 9th Floor Orakarn Bldg., Soi Chidlom, Ploenchit Road,
Lumpinee, Pathumwan, Bangkok 10330, Thailand.

Tel.: +66 (0) 2-255-3115~6; Fax: +66 (0) 2-255-1079

GENERAL GUIDELINES FOR SHAREHOLDER PARTICIPATION AT THE COMPANY'S ANNUAL GENERAL MEETING OF SHAREHOLDERS NO. 01/2021 ("AGM")

Your entitlement to vote is based on the number of your Shares in the Company as at 5:00 p.m. (Singapore time), 12 March 2021.

Due to the ongoing novel coronavirus (Covid-19) pandemic and travel restrictions imposed by the relevant government authorities in Singapore and Thailand, please also refer to the Special Guidelines for Shareholder Participation at the Company's AGM (Attachment No. 1B) ("Special Guidelines").

1. IF YOU HOLD SHARES IN THE COMPANY THROUGH THE CENTRAL DEPOSITORY (PTE) LIMITED ("CDP")

Under the laws of Thailand, only a person who is a registered shareholder of the Company may attend and vote at the AGM. Since your Shares are held through your Securities Account with CDP, CDP is the registered shareholder of your Shares.

You can therefore participate, either through giving instructions to CDP (Option A), or by withdrawing your Shares out of CDP (Option B). See below.

OPTION A: You can exercise your vote through CDP by completing and returning to CDP your Voting Instruction Form. CDP will appoint a proxy to attend the AGM and vote pursuant to your instructions. **All CDP-based shareholders will receive a Voting Instruction Form by mail.**

If you choose Option A, please complete the Voting Instruction Form and mail or hand deliver it to CDP or e-mail it to the Company at ir@mermaid-group.com by no later than **5:00 p.m. (Singapore time) on 22 April 2021**. In the event that your Voting Instruction Form is not received by the said deadline, CDP and/or the Company shall have the right to decline the registration of your votes.

OPTION B: Transfer your Shares out of the CDP system and register those Shares in your own name with the Company no less than two (2) business days prior to the AGM. This process for withdrawal takes three (3) to five (5) business days. **Important Note:** If you withdraw your shares out of the CDP system, you will have to bear all costs of transfer, and you will not be able to trade in your Shares on the SGX-ST until you deposit your Shares back into the CDP system.

If you choose Option B, please contact our Singapore Share Transfer Agent for further details and assistance at:

Boardroom Corporate & Advisory Services Pte. Ltd.,
50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.
Tel: (+65) 6536-5355 Fax: (+65) 6438-8710

After you are registered as a shareholder on record with the Company, you can either participate in person or appoint a proxy to attend and vote on your behalf. Our Singapore Share Transfer Agent will provide you with the relevant proxy forms upon your registration. In this case, section 2 (below) will apply to you.

2. IF YOU HOLD SHARES DIRECTLY WITH THE COMPANY (SHAREHOLDER ON RECORD)

If you are a direct shareholder with the Company (your Shares are not held through your securities account with CDP, or if you have exercised Option B above), then you can attend the AGM and vote in your capacity as a shareholder, either in person or by proxy. In terms of proxy voting, you must appoint Mr. Prasert Bunsumpun who shall be the Chairman of the AGM to act as your proxy and to direct your votes at the AGM. The instrument appointing a proxy must be delivered to the Chairman of the AGM or a person entrusted by the Chairman at the AGM prior to the start of the AGM.

Submission of proxies by e-mail to the Company at ir@mermaid.group.com by no later than **5:00 p.m. (Singapore time) on 22 April 2021** shall also be accepted.

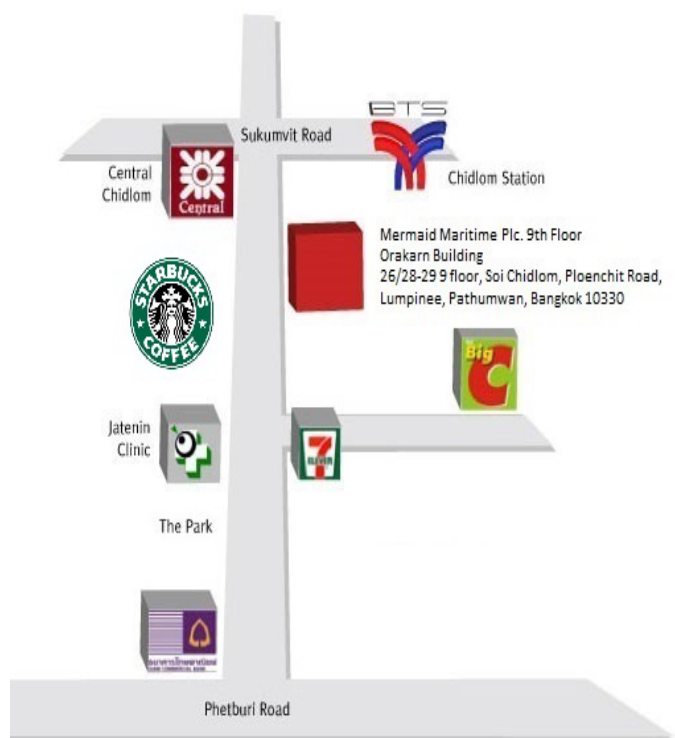
In the event that you plan to attend the AGM in person, please also refer to Paragraph 3 of the Special Guidelines regarding the requirement to pre-register for the AGM.

3. MEETING DETAILS & LOCATION MAP

TIME: 1:00 P.M. (Bangkok time)

DATE: Thursday, 29 April 2021

VENUE: Arabian Sea Room, No. 26/14, 5th Floor, Orakarn Building, Soi Chidlom, Ploenchit Road, Lumpinee, Pathumwan, Bangkok 10330, Thailand.



To view the location on Google Maps, please open the camera application on your mobile phone and direct it at the QR code below.





MERMAID MARITIME PUBLIC COMPANY LIMITED

บริษัท เมอร์เมด มารีไทม์ จำกัด (มหาชน)

(Reg. No. 010755000017)

26/28-29, 9th Floor Orakarn Bldg., Soi Chidlom, Ploenchit Road,
Lumpinee, Pathumwan, Bangkok 10330, Thailand.
Tel.: +66 (0) 2-255-3115~6; Fax: +66 (0) 2-255-1079

SPECIAL GUIDELINES FOR SHAREHOLDER PARTICIPATION AT THE COMPANY'S ANNUAL GENERAL MEETING OF SHAREHOLDERS NO. 01/2021 ("AGM")

Due to the ongoing novel coronavirus (Covid-19) pandemic and travel restrictions imposed by the relevant government authorities in Singapore and Thailand, Mermaid Maritime Public Company Limited ("Mermaid" or the "Company") kindly requests the co-operation of all shareholders and all other participants to comply with the following:

1. EXERCISE OF VOTING RIGHTS BY APPOINTMENT OF PROXY

All shareholders listed in the register of the Company or whose securities account with CDP holds shares of the Company as at 5:00 p.m. (Singapore time) on 12 March 2021 ("Eligible Shareholders") are advised to exercise their right to vote at the AGM by either submitting proxy forms with directions to vote or by submitting voting instructions to CDP. Please refer to the General Guidelines for Shareholder Participation at the AGM (Attachment No. 1A) ("General Guidelines").

2. SUBMISSION OF QUESTIONS BY SHAREHOLDERS BEFORE THE AGM

2.1 All Eligible Shareholders are permitted to submit any questions for the AGM in advance ("Submissions").

2.2 Submissions for the AGM shall be delivered either by mail to: **Boardroom Corporate & Advisory Services Pte. Ltd.**, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 or electronically by e-mail to the Company at ir@mermaid-group.com by no later than **5:00 p.m. (Singapore time) on 22 April 2021**.

2.3 All Submissions shall : (a) state the name, address and CDP Securities Account number of the Eligible Shareholder; (b) include questions in bullet point form in the English language, either in handwriting or in typewritten format; and (c) include a phone number in case we need to contact you for verification purposes.

2.4 In the event that the Company does not receive your Submission by the deadline in Paragraph 2.2 above, or if the instructions at Paragraph 2.3 above has not been followed for any reason, the Company is entitled to disregard your Submission.

2.5 The Company shall publicly address substantial queries with reference to the Submissions from Eligible Shareholders at the AGM via the Company's website, through live webcast, and on SGXNet.

3. PRE-REGISTRATION FOR THE AGM

- 3.1 Eligible Shareholders who are direct shareholders with the Company i.e. your shares are not held through your securities account with CDP or if you had exercised Option B in the General Guidelines (“Shareholders On Record”) shall be eligible to attend the AGM and vote in your capacity as a shareholder, in person or by proxy.
- 3.2 As per Paragraph 2 of the General Guidelines, in terms of proxy voting, Eligible Shareholders must appoint Mr. Prasert Bunsumpun who shall be the Chairman of the AGM to act as your proxy and to direct your votes at the AGM.
- 3.3 All Shareholders On Record who plan to attend the AGM in person are advised to pre-register their attendance. This is to better manage the number of attendees.

3.4 To pre-register attendance at the AGM, please notify the Company either by mail to: **Boardroom Corporate & Advisory Services Pte. Ltd.**, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 or electronically by e-mail to the Company at ir@mermaid-group.com by no later than **5:00 p.m. (Singapore time) on 16 April 2021**.

- 3.5 In the event that the Company does not receive your pre-registration by the deadline in Paragraph 3.4 above, the Company is entitled to not allow you entry to the AGM should there be insufficient seats available or if the number of attendees exceeds health and safety measures in place as determined by the Company in line with applicable laws, regulations and guidelines from the relevant authorities.
- 3.6 All Eligible Shareholders who pre-registered pursuant to Paragraph 3.4 shall be notified at least three (3) working days prior to the AGM of the number of expected attendees.
- 3.7 As an additional precaution, it is recommended that persons under 5 and over 70 years of age should not attend the AGM. Those with pre-existing health conditions should also not attend the AGM.

4. DURING THE AGM

- 4.1 As a social distancing measure, the meeting venue shall be organized to reduce crowding of attendees. Seats in the venue shall be placed at least one meter apart from one another. In the event the number of persons exceed 10 per room (or any larger amount as the Chairman of the meeting may consider appropriate having regard to the size of the room and other precautionary measures in place), the Company shall arrange for various venues within the same building to separate attendees and video-links shall be provided.
- 4.2 The Company shall carry out the following precautionary measures for all attendees:
- (i) Temperature checks and other health screening measures shall be conducted prior to entering the venue. All attendees shall also sign a health declaration form and provide their travel history during the preceding 14 days and contact details.
 - (ii) The Company shall provide all attendees with access to sanitizers and face masks. After the AGM, light refreshments shall be distributed in individual packed boxes.

- (iii) The Company reserves the right to turn away attendees who are or appear unwell along with those with travel history to certain country/regions 14 days preceding the AGM.

5. LIVE WEBCAST OF THE AGM

- 5.1 At the date and time of the AGM, a live webcast shall be made accessible to all Eligible Shareholders for viewing.

5.2 For access to the live webcast, Eligible Shareholders should contact Boardroom Corporate & Advisory Services Pte. Ltd. at Tel: (+65) 6536-5355 Fax: (+65) 6438-8710 or the Company at ir@mermaid-group.com by no later than 5:00 p.m. (Singapore time) on 16 April 2021 .
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- 5.3 In the event that you have not requested for access to the live webcast registration by the deadline in Paragraph 5.2, the Company is entitled to not provide you access to the live webcast.

6. SINGAPORE SHAREHOLDERS FORUM

- 6.1 To provide equal participation opportunity for all shareholders, each year the Company organizes a Shareholders Forum in Singapore. At this event, the Company's shareholders, particularly those based in Singapore, would be given the opportunity to meet with Board members and key executives of the Company. At each Shareholders Forum, the Company delivers a presentation to update shareholders on the Company's progress over the past year and provide adequate time to shareholders to address queries and concerns about the Company.

- 6.2 The Company shall make an announcement via SGXNet in due course regarding its next Shareholders Forum in Singapore.

Note: Mermaid reserves the right to update this Participation Guideline or to adopt alternative protocols at any time prior to or during the AGM depending on the further development of the Covid-19 pandemic and/or government or international health organization directives or recommendations, always in the best interest of promoting shareholder participation and the health and safety for all concerned.

MERMAID MARITIME PUBLIC COMPANY LIMITED

(Registered in the Kingdom of Thailand as a Public Company with Limited Liability)
(Registration Number. 0107550000017)

ANNUAL GENERAL MEETING OF SHAREHOLDERS NO. 01/2021
THURSDAY, 29 APRIL 2021, AT 1:00 P.M. (BANGKOK TIME)

VOTING INSTRUCTION FORM

PLEASE READ THE ATTACHED NOTES BEFORE COMPLETING AND SIGNING THIS VOTING INSTRUCTION FORM.

To: Mermaid Maritime Public Company Limited
c/o The Central Depository (Pte) Limited ("**CDP**")
Robinson Road Post Office P.O. Box 1597
Singapore 903147

I/We:

request you to appoint Mr. Prasert Bunsumpun (Chairman of the Meeting) (the "**Proxy**") to attend and vote at the Annual General Meeting of Shareholders of Mermaid Maritime Public Company Limited (the "**Company**") to be held on Thursday, 29 April 2021, at 1:00 P.M. (Bangkok time) at the Arabian Sea Room, No. 26/14, 5th Floor, Orakarn Building, Soi Chidlom, Ploenchit Road, Lumpinee, Pathumwan, Bangkok 10330, Thailand and at any adjournment thereof (the "**Meeting**").

I/We direct that the Proxy vote as indicated in the box below:

Resolutions

1. To adopt the minutes of the AGM No. 01/2020 held on 29 April 2020 (Ordinary Resolution)

For Against Abstain

2. To acknowledge and adopt the report by the Board of Directors concerning the Company's business for the financial year ended 31 December 2020 (Ordinary Resolution)

For Against Abstain

3. To approve the audited Financial Statements of the Company for the financial year ended 31 December 2020 and the accompanying independent auditor's report (Ordinary Resolution)

For Against Abstain

4. To approve the application of profits and recognition of losses from the business of the Company for the financial year ended 31 December 2020 and no payment of dividends (Ordinary Resolution)

For Against Abstain

5. To approve the re-election of Dr. Jan Jozef Skorupa who is due to retire by rotation pursuant to the Articles of Association of the Company (Ordinary Resolution)

For Against Abstain

6. To approve the re-election of Mr. Prasert Bunsumpun who is due to retire by rotation pursuant to the Articles of Association of the Company (Ordinary Resolution)

For Against Abstain

7. To approve the re-election of Dr. Jean Paul Thevenin who is due to retire by rotation pursuant to the Articles of Association of the Company (Ordinary Resolution)

For Against Abstain

8. To approve the appointment of auditors from KPMG Phoomchai Audit Ltd. as the auditors of the Company for the financial year ending 31 December 2021 (Ordinary Resolution)

For Against Abstain

9. To approve the remuneration of the auditors for the audit of the Financial Statements of the Company for the year ending 31 December 2021 at Thai Baht 3,080,000 (approximately United States Dollars 102,646) (Ordinary Resolution)

For Against Abstain

10. To transact any other ordinary business that may be properly transacted at the AGM No. 01/2021

For Against Abstain

Please indicate clearly the number of shares voted "For", "Against" or "Abstain". For Direct Account Holder(s), please refer to notes 5 and 7 as to the mode of your voting instructions. For Depository Agents, please refer to note 6 as the mode of your voting instructions.

Please indicate your CDP Securities Account Number:

TO BE COMPLETED BY DIRECT ACCOUNT HOLDER(S) / DEPOSITORY AGENTS IF HE/SHE /IT WISHES TO GIVE CDP VOTING INSTRUCTIONS, AND RETURNED, DULY COMPLETED, TO CDP AT THE ADDRESS STATED ABOVE OR BY ELECTRONIC SUBMISSION TO THE COMPANY AT ir@mermaid-group.com BY NO LATER THAN 5.00 P.M. (SINGAPORE TIME) ON **22 APRIL 2021**.

For Individuals:

For Corporations/Depository Agents:

Signature of
Direct Account Holder(s)

Authorised Signatories

Common Seal

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Dated this day of 2021

IMPORTANT NOTES TO VOTING INSTRUCTION FORM

1. Your entitlement to vote is based upon your shares ("**Shares**") in Mermaid Maritime Public Company Limited (the "**Company**") which stand to the credit of your securities account as registered in the name of CDP and/or its nominees (for the purpose of these Notes, referred to collectively as "**CDP**") on 5.00 p.m. (Singapore time), 12 March 2021 (the "**AGM Book Closure Date**").
2. Under the laws of Thailand, only a person who is a registered shareholder of the Company may attend and vote at the Company's Meeting. Accordingly, Direct Account Holders and Depository Agents (collectively referred to as "**Account Holders**") do not have the right to attend, or to appoint their own proxies to attend, the Company's Meeting. As CDP is not allowed under Thai law to appoint more than one proxy, an Account Holder can only request CDP to appoint Mr. Prasert Bunsumpun (Chairman of the Meeting) as his/her proxy to attend and vote in accordance with the voting instructions set out herein.
3. This Voting Instruction Form, duly completed, must be returned by the Direct Account Holder or Depository Agent through CDP at the address stated in the Voting Instruction Form or by electronic submission to the Company at ir@mermaid-group.com no later than 5.00 p.m. (Singapore time), on 22 April 2021 (the "**Voting Closure Date**").
4. You should note that if CDP or the Company does not receive your duly completed Voting Instruction Form by the Voting Closure Date, or if your Voting Instruction Form has not been duly completed or is invalid for any reason, CDP will not vote or take any action in respect of your Shares at the Company's Meeting.
5. For a Direct Account Holder, you shall indicate clearly whether you wish to vote "For" or "Against" or "Abstain" the resolutions to be proposed at the Company's Meeting. The total number of Shares voted "For", "Against" or "Abstain" should not exceed the total number of all your Shares standing to the credit of your securities account as at 5.00 p.m. (Singapore time) on the AGM Book Closure Date.
6. For a Depository Agent, you shall collate all voting instructions received from your sub-account holders and indicate clearly the number of Shares you wish to vote "For", the number of Shares you wish to vote "Against", and the number of Shares you wish to vote "Abstain" in relation to each resolution to be proposed at the Company's Meeting. The total number of Shares voted "For", "Against", and "Abstain" in relation to each resolution should not exceed the total number of Shares standing to the credit of your securities account as at 5.00 p.m. (Singapore time) on the AGM Book Closure Date.
7. If you wish to give voting instructions using this Voting Instruction Form:
 - (i) in the case of an individual, the form must be signed by the Direct Account Holder or by his/her duly authorised attorney; and
 - (ii) in the case of a corporation, must be executed under the common seal of the Direct Account Holder in accordance with its articles of association or equivalent constitutional document(s) or by its duly authorised attorney, or where the corporation is a Depository Agent, must be executed by its duly authorised signatory.

In the case of joint Direct Account Holders, all Direct Account Holders (or their respective duly authorised attorneys) must sign this Voting Instruction Form.

If this Voting Instruction Form is signed by an attorney on behalf of the Depositor, the power of attorney or other authority appointing the attorney to sign this Voting Instruction Form or a duly certified and (where the power of attorney or authority is executed outside Singapore) notarised copy must be attached to this Voting Instruction Form.

8. If, as at the AGM Book Closure Date, the total shareholding of the Direct Account Holder or Depository Agent exceeds the total number of Shares to which any voting instruction relates, CDP will forward the Direct Account Holder's or Depository Agent's voting instructions only in respect of the Shares in respect of which any voting instruction relates.

If, as at the AGM Book Closure Date, the total shareholding of the Direct Account Holder or Depository Agent is less than the total number of Shares to which any voting instruction relates, CDP will forward the Direct Account Holder's or Depository Agent's voting instructions only in respect of the lesser number of Shares, provided that any instruction which requires CDP to allocate the share among "For", "Against" or "Abstain" shall be invalid.

9. You may only submit one Voting Instruction Form in respect of your Shares. If you submit more than one Voting Instruction Form, CDP will not accept your voting instructions and will treat your voting instructions as invalid.
10. You should indicate your CDP Securities Account Number to which the total number of Shares on the Voting Instruction Form relates. Failure to provide your CDP Securities Account Number will be deemed to be an incomplete submission and CDP is entitled (but not obliged) to disregard your voting instructions.

MERMAID MARITIME PUBLIC COMPANY LIMITED
Bangkok, Thailand
("Company")

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

No. 01/2020

Time and Place:

The Annual General Meeting of Shareholders No. 01/2020 was held on 29 April 2020 at 3:10 P.M. (Bangkok time) in the Arabian Sea Room at No. 26/14, 5th Floor, Orakarn Building, Soi Chidlom, Ploenchit Road, Lumpinee, Pathumwan, Bangkok 10330, Thailand ("Meeting").

Directors Present:

Mr. Prasert Bunsumpun	Chairman
Mr. Chalermchai Mahagitsiri	Executive Vice Chairman and CEO
Mr. Jitender Pal Verma	Non-Executive Director
Dr. Jean Paul Thevenin	Non-Executive Director (<i>e-channel</i>)
Dr. Jan Jozef Skorupa	Independent Director (<i>e-channel</i>)
Mr. Tang Kee Fei	Independent Director (<i>e-channel</i>)
Mr. Tay-Yu-Jin	Independent Director (<i>e-channel</i>)

Officers Present:

Mr. Philippe Jean Paul Grasset	Deputy Chief Executive Officer
Dr. Vincent Siaw	Executive Vice President & COO
Mr. Phiboon Buakhunngamcharoen	Chief Financial Officer

Others:

KPMG Phoomchai Audit Limited

Mr. Bantthit Tangpakorn	Audit Partner (<i>e-channel</i>)
Ms. Siripen Sukcharoenyingyong	Audit Manager (<i>e-channel</i>)
Mr. Thanaphat Phaisil	Audit Manager (<i>e-channel</i>)

Pramual Buncheekit and Law Office Co., Ltd.

Mr. Rachot Loungkowitz	Attorney-at-Law and Independent Scrutineer
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Shareholders Present:

Shares:

Thoresen Thai Agencies Plc. (Mr. Prasert Bunsumpun as proxy)	700,000,000
The Central Depository (Pte.) Limited (Mr. Prasert Bunsumpun as proxy)	235,293,680
Soleado Holdings Pte. Ltd. (Mr. Prasert Bunsumpun as proxy)	81,824,634
Athene Holdings Ltd. (Mr. Prasert Bunsumpun as proxy)	20,398,420
Mr. Phiboon Buakhunngamcharoen (Mr. Prasert Bunsumpun as proxy)	10

<u>Shareholders Present:</u>	<u>Shares:</u>
Mr. Boonchana Boonmavong (Mr. Prasert Bunsumpun as proxy)	10
Ms. Narisara Boonsongwongsakul (Mr. Prasert Bunsumpun as proxy)	10
Mr. Teethawong Laocharoenruengkit (Mr. Prasert Bunsumpun as proxy)	4
Mr. Thanyada Apichotthanachai (Mr. Prasert Bunsumpun as proxy)	1
Ms. Kornwipa Puenpoka (Mr. Prasert Bunsumpun as proxy)	1
Mr. Rongfred Koletschka (Mr. Prasert Bunsumpun as proxy)	1
Ms. Supattra Lapakornkul (Mr. Prasert Bunsumpun as proxy)	1
Ms. Waraporn Panyachan (Mr. Prasert Bunsumpun as proxy)	1
Mr. Khanithar Inthawong (Mr. Prasert Bunsumpun as proxy)	1
Total	1,037,516,774

Preliminary Proceedings:

Mr. Prasert Bunsumpun was the Chairman of the Meeting (“Chairman”). Dr. Vincent Siaw acted as Secretary of the Meeting (“Secretary”). The Chairman called the Meeting to order and introduced those members of the Board of Directors (collectively the “Board” and individually a “Director”), officers and others present either in person or via electronic means. The Chairman then referred to the rules of conduct for the Meeting and explained those rules to those present.

The Secretary reported that the shareholders’ list shows that 15 (fifteen) holders of 1,413,328,857 ordinary shares of the Company are entitled to attend and vote at this Meeting and that there were 14 (fourteen) shareholders represented in person or by proxy representing 1,037,516,774 ordinary shares, or approximately 73.41 percent of all shares entitled to attend and vote at the Meeting.

The Chairman informed those present that, based on the percentage of the total shares of the Company held by shareholders present at the Meeting, either in person or by proxy, a quorum was present. The Chairman then duly convened the Meeting.

Due to the novel coronavirus (Covid-19) pandemic and resulting government-imposed lockdowns and travel restrictions, the Secretary reported that there were various avenues provided by the Company to the shareholders to encourage participation at the Meeting as set out in the General Guidelines and Special Guidelines for Participation in the Meeting (as attached to the notice of the Meeting). The Secretary also acknowledged those shareholders who were viewing the Meeting via live webcast.

The Secretary reported that the shareholder participation rate for the Meeting was one of the highest on record. There were no shareholders present in person. Votes cast by proxies have been received. There were also no questions or comments from the shareholders to the Board and/or management in advance of the Meeting. The Meeting shall therefore consider each resolution based on the voting directions from the shareholders through their proxy submissions.

The Secretary then reported that agenda item no. 1 to no. 7 require ordinary resolutions. This means an approval from the majority of total votes of shareholders present at the Meeting in person or in proxy is required to pass each resolution. There being no shareholders present in person, the Secretary further reported that all votes received by proxy had already been counted and verified by the Independent Scrutineer. He advised that the Chairman shall therefore table each resolution in the order presented and he shall announce the results of the votes accordingly.

The Meeting then transacted the following business:

As Ordinary Resolutions:

1. To adopt the minutes of the AGM No. 01/2019 held on 23 April 2019.

The Secretary informed those present that it was the recommendation of the Board that the shareholders adopt the minutes of the Annual General Meeting of Shareholders ("AGM") No. 01/2019 held on 23 April 2019 as set forth in Attachment 2 to the notice of the Meeting.

The Chairman noted that there were no questions or comments raised by the shareholders related to this agenda prior to the Meeting. The Secretary then reported that the results of the voting were as follows:

For	Against	Abstain	Total
1,037,516,774	-nil-	-nil-	1,037,516,774
100.00%	-nil-	-nil-	100%

Resolution No. 1: Based on the voting results, the Chairman declared that the shareholders present at the Meeting through their proxies had unanimously resolved to adopt the minutes of AGM No. 01/2019 held on 23 April 2019.

2. To acknowledge and adopt the report by the Board of Directors concerning the Company's business for the financial year ended 31 December 2019.

The Secretary informed those present that it was the recommendation of the Board that the shareholders acknowledge and adopt the report by the Board concerning the Company's business for the financial year ended 31 December 2019 as contained in the Annual Report 2019 in Attachment 4 to the notice of the Meeting.

The Chairman noted that there were no questions or comments raised by the shareholders related to this agenda prior to the Meeting. The Secretary then reported that the results of the voting were as follows:

For	Against	Abstain	Total
1,037,516,774	-nil-	-nil-	1,037,516,774
100.00%	-nil-	-nil-	100%

Resolution No. 2: Based on the voting results, the Chairman declared that the shareholders present at the Meeting through their proxies had unanimously resolved to acknowledge and adopt the report by the Board concerning the Company's business for the financial year ended 31 December 2019, as contained in the Annual Report 2019.

3. To approve the audited Financial Statements of the Company for the financial year ended 31 December 2019 and the accompanying independent auditor's report.

The Secretary informed those present that it was the recommendation of the Board that the shareholders approve the audited Financial Statements of the Company for the financial year ended 31 December 2019 and the accompanying independent auditor's report, all as contained in the Annual Report 2019 at Attachment 4 to the notice of the Meeting.

The Chairman noted that there were no questions or comments raised by the shareholders related to this agenda prior to the Meeting. The Secretary then reported that the results of the voting were as follows:

For	Against	Abstain	Total
1,037,516,774	-nil-	-nil-	1,037,516,774
100.00%	-nil-	-nil-	100%

Resolution No. 3: Based on the voting results, the Chairman declared that the shareholders present at the Meeting through their proxies had unanimously resolved to approve the audited Financial Statements of the Company for the financial year ended 31 December 2019 and the accompanying independent auditor's report, all as contained in the Annual Report 2019.

4. To approve the application of profits and recognition of losses from the business of the Company for the financial year ended 31 December 2019 and no payment of dividends.

The Secretary informed those present that the audited income statement of the Company for the financial year ended 31 December 2019 reported a Company net profit on a non-consolidated basis of United States Dollars 10,007,000 or equivalent to Thai Baht 316,032,000 and a Company net loss on a consolidated basis of United States Dollars 24,216,000 or equivalent to Thai Baht 749,721,000.

The Secretary also informed those present that it was the recommendation of the Board that no dividends shall be declared to the shareholders for the financial year ended 31 December 2019 due to the net losses of the Company on a consolidated basis for that year and to safeguard financial reserves to support a potential business turnaround.

The Chairman noted that there were no questions or comments raised by the shareholders related to this agenda prior to the Meeting. The Secretary then reported that the results of the voting were as follows:

For	Against	Abstain	Total
1,037,516,774	-nil-	-nil-	1,037,516,774
100.00%	-nil-	-nil-	100%

Resolution No. 4: Based on the voting results, the Chairman declared that the shareholders present at the Meeting through their proxies had unanimously approved the application of profits and recognition of losses from the business of the Company as proposed and that no dividends be declared to the shareholders for the financial year ended 31 December 2019.

5. To approve the re-election of the following Directors of the Company retiring by rotation pursuant to the Articles of Association of the Company.

The Secretary informed those present that the following Directors will be retiring pursuant to Article 15 of the Articles of Association of the Company:

Mr. Tang Kee Fei	Independent Director
Mr. Chalermchai Mahagitsiri	Executive Vice Chairman
Mr. Jitender Pal Verma	Non-Executive Director

The Secretary informed those present that it was the recommendation of the Nomination Committee and the recommendation of the Board (with Mr. Tang Kee Fei, Mr. Chalermchai Mahagitsiri and Mr. Jitender Pal Verma each abstaining on recommendations that concerned themselves) that the shareholders should re-elect the following Directors who are due to retire by rotation to be Directors for a further term:-

Mr. Tang Kee Fei
Mr. Chalermchai Mahagitsiri
Mr. Jitender Pal Verma

Detailed information on these Directors could be found under the section on 'Board of Directors' and 'General Disclosures' in the Annual Report 2019 at [Attachment 4](#) to the notice of the Meeting.

The Secretary then requested that the shareholders vote separately for the re-election of each Director.

The Chairman noted that were no questions or comments raised by the shareholders related to this agenda prior to the Meeting. The Secretary then reported that the results of the voting were as follows:

In relation to the re-election of Mr. Tang Kee Fei as a Director of the Company:

For	Against	Abstain	Total
1,037,133,360	383,414	-nil-	1,037,516,774
99.96%	0.04%	-nil-	100%

Resolution No. 5: Based on the voting results, the Chairman declared that the majority of shareholders present at the Meeting through their proxies had resolved to re-elect Mr. Tang Kee Fei as a Director of the Company.

In relation to the re-election of Mr. Chalermchai Mahagitsiri as a Director of the Company:

For	Against	Abstain	Total
1,037,516,760	14	-nil-	1,037,516,774
99.99%	0.01%	-nil-	100%

Resolution No. 6: Based on the voting results, the Chairman declared that the majority of shareholders present at the Meeting through their proxies had resolved to re-elect Mr. Chalermchai Mahagitsiri as a Director of the Company.

In relation to the re-election of Mr. Jitender Pal Verma as a Director of the Company:

For	Against	Abstain	Total
1,037,133,360	383,414	-nil-	1,037,516,774
99.96%	0.04%	-nil-	100%

Resolution No. 7: Based on the voting results, the Chairman declared that the majority of shareholders present at the Meeting through their proxies had resolved to re-elect Mr. Jitender Pal Verma as a Director of the Company.

6. To approve the appointment of auditors from KPMG Phoomchai Audit Ltd. as the auditors of the Company for the financial year ending 31 December 2020.

The Secretary informed those present that it was the recommendation of the Board that the shareholders appoint auditors from KPMG Phoomchai Audit Ltd. whose names appear below as the auditors of the Company for the financial year ending 31 December 2020:

Mr. Veerachai Ratanajaratkul	CPA License No. 4323
Ms. Siripen Sukcharoenyingyong	CPA License No. 3636
Mr. Watchara Pattarapitak	CPA License No. 6669
Mr. Piyanat Singkhorn	CPA License No. 11641

The Secretary added that any one of the auditors above shall be authorised to conduct the audit and render an opinion on the Financial Statements of the Company, both on a consolidated and non-consolidated basis. In the absence of the above-named auditors, KPMG Phoomchai Audit Ltd. shall be authorised to identify one other Certified Public Accountant within KPMG Phoomchai Audit Ltd. to conduct the same.

Furthermore, the Secretary stated that none of the auditors proposed have/shall have any relationships or interests in the Company, its subsidiaries, its management, major shareholders or other related parties.

The Chairman noted that were no questions or comments raised by the shareholders related to this agenda prior to the Meeting. The Secretary then reported that the results of the voting were as follows:

For	Against	Abstain	Total
1,037,516,774	-nil-	-nil-	1,037,516,774
100.00%	-nil-	-nil-	100%

Resolution No. 8: Based on the voting results, the Chairman declared that that the shareholders present at the Meeting through their proxies had unanimously resolved to appoint the following auditors from KPMG Phoomchai Audit Ltd. as the auditors of the Company for the financial year ending 31 December 2020:

Mr. Veerachai Ratanajaratkul	CPA License No. 4323
Ms. Siripen Sukcharoenyingyong	CPA License No. 3636
Mr. Watchara Pattarapitak	CPA License No. 6669
Mr. Piyanat Singkhorn	CPA License No. 11641

In the absence of the above-named auditors, KPMG Phoomchai Audit Ltd. shall be authorised to identify one other Certified Public Accountant within KPMG Phoomchai Audit Ltd. to conduct the same.

7. **To approve the remuneration of the auditors for the audit of the Financial Statements of the Company for the year ending 31 December 2020 at Thai Baht 3,080,000 (approximately United States Dollars 97,399).**

The Secretary informed those present that it was the recommendation of the Board that the shareholders approve the remuneration of the auditors for the audit of the Financial Statements of the Company for the financial year ending 31 December 2020 at Thai Baht 3,080,000 (approximately United States Dollars 97,399).

The Chairman noted that were no questions or comments raised by the shareholders related to this agenda prior to the Meeting. The Secretary then reported that the results of the voting were as follows:

For	Against	Abstain	Total
1,037,516,774	-nil-	-nil-	1,037,516,774
100.00%	-nil-	-nil-	100%

Resolution No. 9: Based on the voting results, the Chairman declared that the shareholders present at the Meeting through their proxies had unanimously resolved to approve the audit fees of Thai Baht 3,080,000 (approximately United States Dollars 97,399) for the auditors of the Company for the financial year that ending 31 December 2020.

8. To transact any other ordinary business that may be properly transacted at the AGM No. 01/2020.

The Chairman asked the shareholders if they had any other ordinary business to be transacted at the Meeting. There were no proposals raised by the shareholders.

As there was no further business, the Chairman thanked all present for the Meeting, and for their continued support of the Company, and declared the Meeting officially adjourned at 3:30 P.M.

Mr. Chalermchai Mahagitsiri
Executive Vice Chairman and CEO

Mr. Jitender Pal Verma
Non-Executive Director

Dr. Vincent Siaw
Executive Vice President & COO
Company Secretary

Note: Consistent with past practice, the minutes of this Meeting shall be proposed to the shareholders of the Company for adoption at the next general meeting of shareholders of the Company. The Company therefore reserves the right to amend these minutes prior to the next meeting or as a result of proposals for amendments submitted by the shareholders and accepted by the Chairman of the next meeting in order to reflect the accuracy of the matters to which it relates.



MERMAID MARITIME PUBLIC COMPANY LIMITED

บริษัท เมอร์เมด มารีไทม์ จำกัด (มหาชน)

(Reg. No. 0107550000017)

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REPORT OF THE BOARD OF DIRECTORS

Dear Valued Shareholders,

It is my great honor to present to you our Report. This year, as you may recognize, is a very challenging year for global situation due to the continuing impact of COVID-19 pandemic and volatile oil and gas price.

Nonetheless, 2020 has proven Mermaid's capability with good governance to be a leading international specialist for marine and subsea engineering service with a growing vision for business expansion and strong partnership management.

STAND ONE'S GROUNDS

2020 has been another difficult year for Mermaid with a diversity circumstance. The fluctuation of oil and gas situation took a big part to the global business. Brent Crude Average Closing Price dropped for 35% compared to 2019 while hitting the highest level at USD 70.3 which is lower than last year. Furthermore, the market for subsea vessels continued remaining highly over-supplied, with extreme pricing competition on vessel charter rates.

In 2020, three of Mermaid vessels had undertaken mandatory dry-docking operations to guarantee our operation readiness in the future. Mermaid was also confronted with other challenges impacting on our financial results for the year. The most important factor is the COVID-19 pandemic which has been ongoing since 2019 without a sign to halt. It has materially impacted the market with slowdown business growth and disruptions.

At the same time, additional cost in order to prevent the situation and maintain the operation increased significantly such as vessel running cost, quarantine cost and vessel chartering cost due to schedule postponement. Considering the competition for subsea vessels and operating cost, Mermaid decided to step out of the drilling business by exercised the put option to sell all of its 33.76% shares in Asia Offshore Drilling Limited ("AOD") for a consideration of USD 31.0 million as returns. The combination of these factors affected our bottom line.

However, appreciations to the best effort by the Board, senior management and all the company personnel, the concerns had been addressed and managed effectively on time which led to a limited impact.

The revenue earned in 2020 was USD 84.2 million. Consequently, Mermaid unfortunately ended the year in a net loss position of USD 109.6 million. However, it must be remarked that the acknowledgment of the situation and management capabilities led to impact minimization. Correspondingly, our strategies regarding to controller and uncertainties reduction made the company currently in a healthier position and prepare to handle 2021 onwards.

Also it is worth mentioning that in 2020 even though Mermaid generated USD 6.1 million in negative cash flow from operation but the cash balance in 2020 including restricted cash and investment was USD 56.7 million against debts of USD 57.6 million. At the end of 2020, our balance sheet position remained strong with current ratio of 2.27 times, liability to equity ratio of 0.47 times and net debt to equity ratio of 0.33 times.

BREAKING THE WAVES

During the year, Mermaid not only concentrated on IRM business but we also started to come back to what we are good at such as Cable Laying business since the last project took part in 2013, with a team of the right personnel to offer a decent backlog in the Middle East Area. Our partnership with reputable parties is currently active and begins to produce a result along with cost efficiency improvement and non-performing asset management. Consequently, we ended the 2020 year with an order book of USD 225 million. The primary contracts include the subsea inspection, repair and maintenance contracts and cable laying contracts with reputable clients in the Middle East.

IMPLEMENTING STRATEGIC NECESSITIES

COVID-19 pandemic has been continuing to impact the global economy since originated in 2019. It is believed to fluctuate the oil and gas price along with creating uncertainties in the whole market related to demand and supply. Even though our outlook as subsea service provider assumed to be shaken in the short term, but it is expected to be positive on a long term basis. Saudi Arabia has plans for billions of investments on the Eastern Seaboard up to the next 4-5 years whereas Qatar has plans for billions in Oil and Gas sector. Furthermore, West African market majors have allocated budgets towards subsea sector.

Therefore, in 2021, we will continue to focus on our core business of IRM while concentrating more on the respectable result cable laying business and business expansion as decommissioning

service provider in South East Asia. We as well aim to develop more innovative technologies to keep providing advance solutions for customers.

Driven by visions of management team, supported by the right personnel, it will ensure our abilities to continue building sustained shareholder value in both short term and long term throughout challenging times. Mermaid has taken the considered course of action to conserve its cash reserves with a purpose to maintain the stability and ready to engage the opportunities in the future.

This is also the fourth year that we have published a Sustainability Report based on the Global Reporting Initiative framework which complies with SGX requirements. Mermaid remains committed to looking for ways to reduce the impact on the environment and to create positive social impact.

Furthermore, proven as our capabilities and trustworthiness, Mermaid is pleased to be recognized as one of the top 100 companies in the 2020 Singapore Governance and Transparency Index. We also received the award as Thailand's Best Integrated Subsea Services Provider for 2020 – Oil and Gas Sector by the Global Business Outlook magazine.

WORD OF THANKS

2020 was another challenging year which required the hard work and dedication from all our people as the key to step over the barricades and strengthening our foundation. Teamwork has been our key role since the origination of the Company and it has reflected the great result though out the difficulties. To our Board, I would like to thank you for your invaluable contribution, leadership, and recommendation. To our business partners and customers, we thank you for your faith and trust. Together, we have clearly established a decent relationship in order to operate successfully in this ever-changing business environment both good and difficult times.

Respectable corporate governance is fundamental for long term business sustainability and value creation for our shareholders. The Board and management will remain committed to complying with corporate governance best practices across our businesses and delivery of bottom line result to shareholders.

In conclusion, I would like to express my sincere gratitude to our shareholders for your continued support and the confidence you have placed in us. As we enter 2021, you can be assured that Mermaid shall continue to get over all the waves with stronger firm ground in the offshore oil and gas industry.

MANAGEMENT DISCUSSION & ANALYSIS

This discussion and analysis of the operating results of Mermaid Maritime Public Company Limited (the “Company” or “Mermaid”) and its subsidiaries’ (collectively the “Group”) are provided based upon consolidated financial statements, which have been tailored in accordance with the Thai Financial Reporting Standards (“TFRS”) and guidelines imposed by the Federation of Accounting Professions (“FAP”). To analyse the Group’s financial performance, a variety of financial and operational terms and concepts have been used including the following:

Calendar-vessel-days: Calendar-vessel-days are defined as the total number of days during which the vessels have been owned and/or operated by the Group.

Available days: Available days are defined as the number of Calendar-vessel-days less the total number of days that the vessels are off-hire due to scheduled repairs or repairs under guarantee, and upgrades or special surveys. Available days represent the number of days during which the fleet is capable of generating revenues.

Operating days: Operating days are defined as the number of available days less the total number of days that the fleet is off-hire due to any reason, including unforeseen circumstances. Operating days represent the number of days during which the fleet actually generates revenues.

Fleet utilization: Fleet utilization is calculated by dividing the number of operating days by the number of available days. Fleet utilization measures the efficiency in finding suitable employment for the vessels and minimising the amount of days that they are off-hire for reasons other than scheduled repairs or repairs under guarantee, upgrades, or special surveys.

Dry-docking: Each of the vessels must be cyclically dry-docked for inspection, repairs and maintenance, and any modifications to fulfill industry certification or government requirements. Generally, the vessels are dry-docked every five (5) years and additional interim dry-docked every two and a half (2.5) years. A substantial portion of the dry-docking costs are capitalized and amortized on a straight-line basis from the completion of a dry-docking to the estimated completion of the next dry-docking. Dry-docking is considered a separate component of a vessel’s total investment costs that have a different pattern of economic benefits and are therefore depreciated separately. Costs associated with routine repairs and maintenance that do not enhance or extend a vessel’s useful life are expensed during the quarter in which they are incurred.

Depreciation: The reduction in value of the vessels is computed on a component basis, whereby each major component of a vessel is depreciated over its useful life. As components have different useful lives, the total of these component depreciation expenses are noted in the Group’s financial statements.

Service and administrative expenses: Service and administrative expenses include onshore fleet related expenses such as payroll, rent, legal and professional expenses, and other general

expenses. The depreciation of building and office equipment is also viewed as part of the service and administrative expenses.

Exchange rate: For 2020 financial numbers, the exchange rate of Baht 30.0371 and Baht 31.2936 to US Dollar 1.00 was used to denominate value in Baht currency to US Dollar currency for the statement of financial position and statement of comprehensive income, respectively.

In this section, unless otherwise specifically stated to the contrary, all references to years (i.e. 2019 and 2020) shall mean the financial years of the Group ending 31 December.

SUBSEA SERVICES

The subsea services group comprises Mermaid Subsea Services (Thailand) Ltd., Seascope Surveys Pte. Ltd. in Singapore, Mermaid Subsea Services (International) Ltd. in Seychelles, Mermaid Subsea Services LLC in Qatar and Mermaid Subsea Services Saudi Arabia Co., Ltd. (collectively “Subsea Group”).

SUBSEA IRM AND SURVEY WORKS

The following table provides a summary of the changes in Calendar-vessel-days by owned and chartered-in vessels for subsea inspection, repair and maintenance (“IRM”) and survey works.

TABLE 1: CALENDAR-VESSEL-DAYS FOR OFFSHORE SERVICE VESSELS

Calendar-Vessel-Days	Unit: Days			
	FY 2020		FY 2019	
	No. of Days	% Change	No. of Days	% Change
Owned Vessels	2,196	-10.84%	2,463	-3.60%
Chartered-in Vessels	0	NA	0	-100.00%
Total	2,196	-10.84%	2,463	-10.99%

Calendar days of owned vessels were decreased from 2,463 days to 2,196 days in 2020.

TABLE 2: FLEET UTILIZATION FOR OFFSHORE SERVICE VESSELS

Item	Unit: Days			
	FY 2020		FY 2019	
	No. of Days	% Change	No. of Days	% Change
Calendar-Vessel-Days	2,196	-10.84%	2,463	-10.99%
Planned Off-Hire Days	136	209.09%	44	-73.01%
Available Days	2,060	-14.84%	2,419	-7.10%
Operating Days	872	-3.86%	907	14.81%
Fleet Utilization	42.33%	4.84%	37.49%	7.15%

Revenue from rendering of services: Revenue from rendering of services declined 20.87% from US Dollars 105.9 million in 2019 to US Dollars 83.8 million in 2020. Despite the fact that total fleet utilization decreased from 907 operating days in 2019 to 872 operating days in 2020, the total fleet utilization rate rose from 37.49% in 2019 to 42.33% in 2020. Average day rates decreased from US Dollars 83.7 thousand in 2019 to US Dollars 65.6 thousand in 2020.

Costs of rendering of services: Recorded at US Dollars 95.4 million in 2020, costs of services, basically consisting of service expenses and depreciation, decreased by 12.56% compared to US Dollars 109.1 million in 2019.

Service expenses: Service expenses decreased by 10.34% from US Dollars 90.9 million or equivalent US Dollars 36,887 per Calendar-vessel-day in 2019 to US Dollars 81.5 million or equivalent US Dollars 37,107 per Calendar vessel-day in 2020. Service expenses as percentage of revenue increased from 85.76% to 97.26% as a result of additional charter hire and related costs occurred during COVID-19 pandemic.

Depreciation: Depreciation expenses decreased from US Dollars 18.2 million in 2019 to US Dollars 13.9 million in 2020 representing a 23.63% decrease due to scheduled 5-years regulatory dry-docking activity for owned main vessels.

OTHER OPERATING RESULTS

General and administrative expenses: General and administrative expenses were US Dollars 24.7 million in 2020. Administrative expenses increased by 4.22% from US Dollars 23.7 million in 2019. The increase principally came from impairment loss. However, other main administrative expenses such as employee benefit expenses, legal fees, traveling expenses and withholding taxes reduced in 2020.

Impairment loss: US Dollars 10.0 million was recorded as in 2020 as impairment loss which comprised of expected credit losses at US Dollars 7.9 million and impairment loss on goodwill at US Dollars 2.1 million. In 2019, US Dollars 5.1 million was recorded as an impairment loss on two subsea vessels. These losses were recorded under general and administrative expenses.

Loss on disposal of investment in an associate: In 2020, the Group exercised the put option to sell all of its 33.76% shares in Asia Offshore Drilling Limited (“AOD”), an associate. The loss on disposal of investment in this associate was recognized at US Dollars 68.1 million.

Finance costs: The costs of finance were recorded at US Dollars 2.2 million in 2020, decreased from US Dollars 3.4 million in 2019 as a result of lower market interest rate.

Interest income: Interest income was at US Dollars 0.1 million in 2020.

Foreign exchange gains (losses): Changes in foreign exchange rates resulted in US Dollars 15 thousand losses in 2020 compared to US Dollars 226 thousand gains in 2019.

Other income: Other income declined from US Dollars 0.9 million in 2019 to US Dollars 0.3 million in 2020.

Share of profits (losses) of associates: Share of losses from associates was recorded at US Dollars 0.9 million in 2020 whereas share of profits from associates was recorded at US Dollars 5.3 million in 2019. This resulted from an accounting adjustment in 2019.

Income taxes: Income tax expenses rose by US Dollars 1.9 million from USD Dollars 0.6 million in 2019 to US Dollars 2.5 million in 2020. An increase was primarily due to a reversal of deferred tax assets during the year as a subsidiary cannot utilize tax loss carried forward before it's expired.

Based on the factors illustrated above, the Group reported net loss of US Dollars 109.6 million in 2020, which dropped from net loss of US Dollars 24.2 million in 2019.

LIQUIDITY AND CAPITAL RESOURCES

The following table sets forth the Group's consolidated capitalization for the two previous financial years.

TABLE 3: TOTAL CAPITALIZATION

Item	Unit: US Dollars '000	
	As at 31 December	
	2020	2019
Cash, cash equivalents, current investment and deposits		
Cash and cash equivalents	37,756	22,496
Current investment	9,714	12,207
Restricted deposits at financial institutions	9,193	11,268
Total cash, cash equivalents, current investment and deposits	56,663	45,971
Debt		
Short-term borrowings from financial institutions	-	244
Current portion of long-term borrowings (including finance leases)	13,750	11,953
Long-term borrowings (including finance leases)	44,091	43,846
Total Debt	57,841	56,043
Shareholders' Equity		

Ordinary shares, Baht 1 par value		
1,413.33 million shares issued and fully paid-up	47,322	47,322
Share premium on ordinary shares	343,536	343,536
Retained earnings (deficit)	(221,082)	(101,337)
Other components of equity	(2,473)	(2,528)
Total Shareholders' Equity	177,303	286,993
Total Capitalization	235,144	343,036
Total Debt to Total Capitalization	0.25	0.16

As at 31 December 2020, the Group's total cash and cash equivalents equaled US Dollars 56.7 million, an increase of US Dollars 10.7 million from US Dollars 46.0 million as at 31 December 2019.

For the year ended 31 December 2020, the Group had net cash used in operating activities of US Dollars 6.1 million which is lower than the cash flow for the corresponding period ended 31 December 2019. This was mainly from a payment of trade and other accounts payable.

The Group had net cash from investing activities of US Dollars 22.3 million in 2020. This was primarily due to cash received from sale of investment in an associate of US Dollars 31.0 million and net received from sale of current investment of US Dollars 4.3 million, which offset against an acquisition of property, plant and equipment of US Dollars 10.7 million and an acquisition of current investment of US Dollars 2.0 million.

The Group used net cash in financing activities of US Dollars 1.0 million in 2020. This was due to new proceeds from long-term loans from financial institution for vessel dry-docking of US Dollar 8.0 million which offset against loan repayment to financial institutions and finance cost paid of US Dollars 6.6 million and US Dollars 2.2 million respectively.

As at 31 December 2020, the Company had a total debt of US Dollars 57.8 million, comprising of long-term borrowings from financial institutions of US Dollars 57.4 million and lease liabilities of US Dollars 0.4 million. In comparison, as at 31 December 2019, the Company had a total debt of US Dollars 56.0 million, comprising of short-term borrowings from financial institutions of US Dollars 0.2 million and long-term borrowings from financial institutions of US Dollars 55.8 million. Outstanding loans were obtained mainly for acquisitions of vessels, rigs and equipment.

CAPITAL EXPENDITURES

The major capital expenditure in 2020 was an investment in property, plant and equipment totaling of US Dollars 12.3 million.

QUALITATIVE AND QUANTITATIVE MARKET RISK

FOREIGN CURRENCY FLUCTUATION RISK

The international offshore oil and gas industry utilizes the US Dollars as its functional currency. Consequently, a substantial portion of the Group's revenues and operating expenses are recorded in US Dollars. The Group also incurs certain crew, vessel and rig operating expenses, dry-docking and overhead costs in foreign currencies. A substantial part of the assets and liabilities of the Group are recognized in US Dollars

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 are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings. The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rate.

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. The Group manages credit risk by considering and following credit policy for customer evaluation and monitored closely along with suitable resolution and instrument to reduce exposures.

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.

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

Financial statements for the year ended
31 December 2020
and
Independent Auditor's Report



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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 2020, 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 2020 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 issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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, goodwill and investment in subsidiaries	
Refer to Notes 3, 7, 8, 10, and 11 to the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in the audit
<p>As the exploration and offshore businesses are in downturn which influenced the expenditure of the Group's customers on oil and gas exploration and production activities, which resulted in lower utilisation and day rate for subsea and offshore services. This is an indicator of impairment of property, plant and equipment and goodwill in the consolidated financial statements, and of investment in subsidiaries in the separate financial statements.</p> <p>To determine the recoverable amount of a vessel, management considered the higher of the vessel's value-in-use and its fair value less costs to sell.</p> <p>Management used the work of an independent valuer to evaluate the fair value less costs to sell of certain vessels.</p> <p>Management also used the discounted cash flow forecast method to estimate the value-in-use. In estimating the valuation, there are assumptions used for the estimation of future cash flows such as future profit, useful life and discounted rate to be applied for the basis of assessing the valuation which contains 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"> • making inquiries of management and obtaining related documents to understand the process by which management has derived its value-in-use estimates; • comparing forecast revenues to those achieved in prior periods; • evaluating the discounted cash flow forecast methodology and key assumptions applied in estimating the discount rate, such as cost of debt; • performing sensitivity tests by carrying key assumptions; • assessing the competency and independence of management's fair value less costs to sell valuer; and • considering the adequacy of the Group's disclosures in accordance with the relevant Thai Financial Reporting Standards.

Measurement of expected credit losses on other accounts receivable, short-term loans to related parties and long-term loan to related party	
Refer to Notes 3, 4 and 22 to the separate financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>The Company has recognized expected credit losses (ECL) on financial instruments which involves significant judgement in estimation by the Company.</p> <p>The Company measured expected credit losses on other accounts receivables, short-term loans to related parties and long-term loan to related party 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 significant impact to the separate financial statements.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • 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; • performing sensitivity testing, using the Company's models, to evaluate the impact of varying key assumptions within a reasonably possible range. This enabled to critically challenge the Company's quantification of assumptions and focus my procedures to the most sensitive assumptions;

Measurement of expected credit losses on other accounts receivable, short-term loans to related parties and long-term loan to related party	
Refer to Note 3, 4 and 22 to the separate financial statements.	
The key audit matter	How the matter was addressed in the audit
I identified the measurement of expected credit losses as a key audit matter because other accounts receivable, short-term loans to related parties and long-term loan to related party are material to the Company and the recognition of expected credit loss requires the exercise of significant management judgement.	<ul style="list-style-type: none"> • assessing overall data and assumptions used in management estimation whether the assumptions used in making the accounting estimate are reasonable, including interdependent and internally consistent for that accounting estimate; • testing the calculation of expected credit losses on other accounts receivable, short-term loans to related parties and long-term loan to related party and evaluating the accuracy of their balances; • considering the adequacy of disclosures in accordance with Thai financial reporting standards.

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, related safeguards.



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.

A handwritten signature in blue ink, appearing to read 'Siripen Sukcharoenyingyong', with a long horizontal stroke extending to the right.

(Siripen Sukcharoenyingyong)
Certified Public Accountant
Registration No. 3636

KPMG Phoomchai Audit Ltd.
Bangkok
25 February 2021

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

Consolidated financial statements

Assets	Note	31 December		31 December	
		2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Current assets					
Cash and cash equivalents	5, 22	37,756	22,496	1,134,081	678,344
Current investments	22	9,714	12,207	291,780	368,090
Trade and other accounts receivable	4, 22	35,296	48,038	1,060,191	1,448,538
Short-term loan to related party	4	-	5,371	-	161,957
Supplies and spare parts		354	619	10,633	18,665
Total current assets		83,120	88,731	2,496,685	2,675,594
Non-current assets					
Restricted deposit at financial institutions	6	9,193	11,268	276,131	339,775
Investment in associate	7	22,407	122,360	673,041	3,689,643
Investment in joint ventures	7	1,571	1,577	47,188	47,553
Investment properties	9	492	539	14,778	16,253
Long-term loan	22	-	-	-	-
Property, plant and equipment	10	143,191	145,207	4,301,043	4,378,572
Right-of-use assets		382	-	11,474	-
Goodwill	11	-	2,066	-	62,298
Intangible assets		13	55	390	1,658
Deferred tax assets	20	54	2,139	1,622	64,499
Other non-current assets		84	106	2,523	3,196
Total non-current assets		177,387	285,317	5,328,190	8,603,447
Total assets		260,507	374,048	7,824,875	11,279,041

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

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

Consolidated financial statements					
Liabilities and equity	<i>Note</i>	31 December		31 December	
		2020	2019	2020	2019
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current liabilities</i>					
Short-term borrowings from financial institutions	<i>12</i>	-	244	-	7,358
Trade and other accounts payable	<i>4</i>	22,443	28,271	674,123	852,485
Current portion of long-term borrowings	<i>12, 22</i>	13,544	11,953	406,822	360,431
Current portion of lease liabilities	<i>12</i>	206	-	6,188	-
Current income tax payable		509	692	15,289	20,867
Total current liabilities		36,702	41,160	1,102,422	1,241,141
<i>Non-current liabilities</i>					
Long-term borrowings	<i>12, 22</i>	43,869	43,846	1,317,698	1,322,132
Lease liabilities	<i>12</i>	222	-	6,668	-
Provisions for employee benefits	<i>13</i>	2,411	2,049	72,419	61,786
Total non-current liabilities		46,502	45,895	1,396,785	1,383,918
Total liabilities		83,204	87,055	2,499,207	2,625,059

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

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

Consolidated financial statements

Liabilities and equity	<i>Note</i>	31 December		31 December	
		2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Equity					
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	14	343,536	343,536	12,271,678	12,271,678
Deficit		(211,082)	(101,337)	(8,571,050)	(5,132,025)
Other components of equity	15	(2,196)	(2,196)	225,892	116,872
Equity attributable to owners of the parent		177,580	287,325	5,339,849	8,669,854
Non-controlling interests		(277)	(332)	(14,181)	(15,872)
Total equity		177,303	286,993	5,325,668	8,653,982
Total liabilities and equity		260,507	374,048	7,824,875	11,279,041

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

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

		Separate financial statements			
		31 December		31 December	
Assets	<i>Note</i>	2020	2019	2020	2019
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current assets</i>					
Cash and cash equivalents	5, 22	26,128	3,875	784,809	116,847
Other accounts receivable	4, 22	455	122,498	13,667	3,693,804
Short-term loans to related parties	4, 22	-	49,945	-	1,506,041
Total current assets		26,583	176,318	798,476	5,316,692
<i>Non-current assets</i>					
Investment in associate	7	22,507	22,507	676,045	678,676
Investment in joint venture	7	213	213	6,398	6,423
Investments in subsidiaries	8	55,362	156,959	1,662,914	4,732,942
Other non-current receivable to related party	4, 22	19,666	-	590,710	-
Long-term loan to related party	4, 22	36,397	-	1,093,260	-
Investment properties	9	1,654	1,826	49,681	55,061
Property, plant and equipment	10	108	115	3,245	3,468
Right-of-use assets		379	-	11,384	-
Intangible assets		5	12	150	362
Deferred tax assets	20	54	48	1,622	1,447
Other non-current assets		52	24	1,562	724
Total non-current assets		136,397	181,704	4,096,971	5,479,103
Total assets		162,980	358,022	4,895,447	10,795,795

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

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

		Separate financial statements			
		31 December		31 December	
Liabilities and equity	<i>Note</i>	2020	2019	2020	2019
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Current liabilities</i>					
Other accounts payable	4	710	750	21,326	22,615
Current portion of lease liabilities	12	204	-	6,128	-
Total current liabilities		914	750	27,454	22,615
<i>Non-current liabilities</i>					
Lease liabilities	12	221	-	6,638	-
Provisions for employee benefits	13	274	242	8,230	7,297
Total non-current liabilities		495	242	14,868	7,297
Total liabilities		1,409	992	42,322	29,912
<i>Equity</i>					
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	14	343,536	343,536	12,271,678	12,271,678
Differences arising from common control transactions	7, 15	-	(7,406)	-	(239,757)
Deficit		(229,315)	(26,450)	(8,593,947)	(2,317,057)
Other components of equity	15	28	28	(237,935)	(362,310)
Total equity		161,571	357,030	4,853,125	10,765,883
Total liabilities and equity		162,980	358,022	4,895,447	10,795,795

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

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

Consolidated financial statements					
		Year ended 31 December		Year ended 31 December	
	Note	2020	2019	2020	2019
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Revenue					
Revenue from rendering of services	4	83,779	105,933	2,616,642	3,286,044
Interest income		80	655	2,451	20,413
Net gain on foreign exchange		-	226	-	7,146
Other income	4	286	895	8,948	27,419
Total revenue		84,145	107,709	2,628,041	3,341,022
Expenses					
Costs of rendering of services	17	95,352	109,052	2,983,319	3,382,182
Administrative expenses	4, 18	24,664	23,657	770,273	732,584
Loss on disposal of investment in an associate	7	68,085	-	2,132,885	-
Net loss on foreign exchange		15	-	373	-
Finance costs		2,229	3,397	69,845	105,673
Total expenses		190,345	136,106	5,956,695	4,220,439
Share of profit (loss) of joint venture and associates accounted for using equity method, net of tax		(908)	4,756	(28,408)	147,742
Loss before income tax expense		(107,108)	(23,641)	(3,357,062)	(731,675)
Tax expense	20	2,486	575	77,267	18,046
Loss for the year		(109,594)	(24,216)	(3,434,329)	(749,721)
Other comprehensive income (expense)					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements		-	1	-	32
Translation adjustments		-	-	109,020	(694,635)
Items that will not be reclassified to profit or loss					
Loss on remeasurements of defined benefit plans	20	(96)	(2)	(3,005)	(62)
Other comprehensive income (expense) for the year, net of tax		(96)	(1)	106,015	(694,665)
Total comprehensive expense for the year		(109,690)	(24,217)	(3,328,314)	(1,444,386)

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

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

Consolidated financial statements				
	Year ended 31 December		Year ended 31 December	
<i>Note</i>	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Profit (loss) attributable to:				
Owners of parent	(109,654)	(24,258)	(3,436,176)	(751,000)
Non-controlling interests	60	42	1,847	1,279
Loss for the year	<u>(109,594)</u>	<u>(24,216)</u>	<u>(3,434,329)</u>	<u>(749,721)</u>
Total comprehensive income (expense) attributable to:				
Owners of parent	(109,745)	(24,266)	(3,330,005)	(1,445,880)
Non-controlling interests	55	49	1,691	1,494
Total comprehensive expense for the year	<u>(109,690)</u>	<u>(24,217)</u>	<u>(3,328,314)</u>	<u>(1,444,386)</u>
Basic losses per share	<i>(in US Dollar)</i>		<i>(in Baht)</i>	
Basic losses per share	21 <u>(0.0776)</u>	<u>(0.0172)</u>	<u>(2.4313)</u>	<u>(0.5314)</u>

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

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

		Separate financial statements			
		Year ended 31 December		Year ended 31 December	
<i>Note</i>		2020	2019	2020	2019
		<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Revenue					
Management fee income	4	420	534	13,166	16,579
Interest income	4	911	1,167	28,466	36,207
Net gain on foreign exchange		169	14,677	5,521	458,887
Other income	4	323	328	10,113	10,176
Total revenue		1,823	16,706	57,266	521,849
Expenses					
Administrative expenses	4, 18	125,365	6,728	3,858,414	206,695
Loss on debt forgiveness to a subsidiary	4	71,912	-	2,243,577	-
Loss on disposal of investment in an associate	7	7,406	-	232,006	-
Finance costs		11	-	343	-
Total expenses		204,694	6,728	6,334,340	206,695
Profit (loss) before income tax expense		(202,871)	9,978	(6,277,074)	315,154
Tax income	20	(6)	(29)	(184)	(878)
Profit (loss) for the year		(202,865)	10,007	(6,276,890)	316,032
Other comprehensive income (expense)					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Translation adjustments		-	-	124,375	(810,994)
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Loss on remeasurement of defined benefit plans		-	(14)	-	(436)
Other comprehensive income (expense) for the year, net of tax		-	(14)	124,375	(811,430)
Total comprehensive income (expense) for the year		(202,865)	9,993	(6,152,515)	(495,398)
Basic earnings (losses) per share		<i>(in US Dollar)</i>		<i>(in Baht)</i>	
Basic earnings (losses) per share	21	(0.1435)	0.0071	(4.4412)	0.2236

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										
	Retained earnings/(Deficit)					Other components of equity					
	Issued and paid share capital	Share premium on ordinary shares	Legal reserve	Deficit	Translation of financial statements	Share-based payment	Changes in ownership interests	Total other components of equity	Equity attributable to owners of parent	Non-controlling interests	Total equity
Year ended 31 December 2019											
Balance at 1 January 2019	47,322	343,536	-	(77,070)	1,195	28	(3,420)	(2,197)	311,591	(528)	311,063
Transactions with owners, recorded directly in equity											
<i>Changes in ownership interests in subsidiaries</i>											
Disposal of non-controlling interests with a change in control	-	-	-	-	-	-	-	-	-	147	147
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	147	147
Total transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	147	147
Comprehensive income (expense) for the year											
Profit or loss	-	-	-	(24,258)	-	-	-	-	(24,258)	42	(24,216)
Gain (loss) on remeasurement of defined benefit plans	-	-	-	(9)	-	-	-	-	(9)	7	(2)
Exchange differences on translating financial statements	-	-	-	-	1	-	-	1	1	-	1
Total comprehensive income (expense) for the year	-	-	-	(24,267)	1	-	-	1	(24,266)	49	(24,217)
Balance at 31 December 2019	47,322	343,536	-	(101,337)	1,196	28	(3,420)	(2,196)	287,325	(332)	286,993

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										
	Retained earnings/(Deficit)		Other components of equity			Changes in		Equity		Non-controlling interests	Total equity
	Issued and paid share capital	Share premium on ordinary shares	Legal reserve	Deficit	Translation of financial statements	Share-based payment	ownership interests	Total other components of equity	attributable to owners of parent		
Year ended 31 December 2020											
Balance at 1 January 2020	47,322	343,536	-	(101,337)	1,196	28	(3,420)	(2,196)	287,325	(332)	286,993
Comprehensive income (expense) for the year											
Profit or loss	-	-	-	(109,654)	-	-	-	-	(109,654)	60	(109,594)
Loss on remeasurement of defined benefit plans	-	-	-	(91)	-	-	-	-	(91)	(5)	(96)
Total comprehensive income (expense) for the year	-	-	-	(109,745)	-	-	-	-	(109,745)	55	(109,690)
Balance at 31 December 2020	47,322	343,536	-	(211,082)	1,196	28	(3,420)	(2,196)	177,580	(277)	177,303

(in thousand US Dollar)

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											
	Retained earnings/(Deficit)		Other components of equity			Equity attributable to owners of parent	Non-controlling interests	Total equity				
	Issued and paid share capital	Share premium on ordinary shares	Legal reserve	Deficit	Translation of financial statements				Share-based payment	Changes in ownership interests	Total other components of equity	
Year ended 31 December 2019												
Balance at 1 January 2019	1,413,329	12,271,678	-	(4,380,748)	931,764	874	(121,163)	811,475	10,115,734	(21,799)	10,093,935	
Transactions with owners, recorded directly in equity												
<i>Changes in ownership interests in subsidiaries</i>												
Disposal of non-controlling interests with a change in control	-	-	-	-	-	-	-	-	-	4,433	4,433	
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	4,433	4,433	
Total transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	4,433	4,433	
Comprehensive income (expense) for the year												
Profit or loss	-	-	-	(751,000)	-	-	-	-	-	(751,000)	1,279	(749,721)
Gain (loss) on remeasurement of defined benefit plan	-	-	-	(277)	-	-	-	-	-	(277)	215	(62)
Exchange differences on translating financial statements	-	-	-	-	32	-	-	32	32	32	-	32
Translation adjustments	-	-	-	-	(694,635)	-	-	(694,635)	(694,635)	(694,635)	-	(694,635)
Total comprehensive income (expense) for the year	-	-	-	(751,277)	(694,603)	-	-	(694,603)	(694,603)	(1,445,880)	1,494	(1,444,386)
Balance at 31 December 2019	1,413,329	12,271,678	-	(5,132,025)	237,161	874	(121,163)	116,872	8,669,854	(15,872)	8,653,982	

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											
	Retained earnings/(Deficit)				Other components of equity							
	Issued and paid share capital	Share premium on ordinary shares	Legal reserve	Deficit	Translation of financial statements	Share-based payment	Changes in ownership interests	Total other components of equity	Equity attributable to owners of parent	Non-controlling interests	Total equity	
Year ended 31 December 2020												
Balance at 1 January 2020	1,413,329	12,271,678	-	(5,132,025)	237,161	874	(121,163)	116,872	8,669,854	(15,872)	8,653,982	
Comprehensive income (expense) for the year												
Profit or loss	-	-	-	(3,436,176)	-	-	-	-	(3,436,176)	1,847	(3,434,329)	
Loss on remeasurement of defined benefit plans	-	-	-	(2,849)	-	-	-	-	(2,849)	(156)	(3,005)	
Exchange differences on translating financial statements	-	-	-	-	-	-	-	-	-	-	-	
Translation adjustments	-	-	-	-	109,020	-	-	109,020	109,020	-	109,020	
Total comprehensive income (expense) for the year	-	-	-	(3,439,025)	109,020	-	-	109,020	(3,330,005)	1,691	(3,328,314)	
Balance at 31 December 2020	1,413,329	12,271,678	-	(8,571,050)	346,181	874	(121,163)	225,892	5,339,849	(14,181)	5,325,668	

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	Differences arising from common control transactions		Retained earnings			Other components of equity
			Share premium on ordinary shares	Legal reserve	Unappropriated (Deficit)	Share-based payment		
Year ended 31 December 2019	47,322	343,536	(7,406)	-	(36,443)	28	347,037	
Balance at 1 January 2019								
Comprehensive income (expense) for the year								
Profit	-	-	-	-	10,007	-	10,007	
Loss on remeasurement of defined benefit plans	-	-	-	-	(14)	-	(14)	
Total comprehensive income for the year					9,993		9,993	
Balance at 31 December 2019	47,322	343,536	(7,406)	-	(26,450)	28	357,030	

(in thousand US Dollar)

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
		Differences arising from common control transactions	Retained earnings/(Deficit)	Other components of equity		Share-based payment		
Note	Issued and paid share capital	Share premium on ordinary shares	Legal reserve	Deficit				
<i>(in thousand US Dollar)</i>								
	Year ended 31 December 2020							
	Balance at 1 January 2020	47,322	343,536	-	(7,406)	(26,450)	28	
	Comprehensive expense for the year							
	Loss	-	-	-	-	(202,865)	-	
	Total comprehensive expense for the year	-	-	-	-	(202,865)	-	
	Transfer to profit and loss	-	-	7,406	-	-	7,406	
	Balance at 31 December 2020	47,322	343,536	-	-	(229,315)	28	

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
	Retained earnings/(Deficit)			Other components of equity			
	Differences arising from common control transactions	Share premium on ordinary shares	Issued and paid share capital	Translation of financial statements	Share-based payment	components of equity	
Year ended 31 December 2019							
Balance at 1 January 2019	(239,757)	12,271,678	1,413,329	447,810	874	448,684	11,261,281
			-	(2,632,653)			
Comprehensive income (expense) for the year							
Profit	-	-	-	316,032	-	-	316,032
Loss on remeasurement of defined benefit plans	-	-	-	(436)	-	-	(436)
Translation adjustments	-	-	-	(810,994)	-	(810,994)	(810,994)
Total comprehensive income (expense) for the year	-	-	-	315,596	-	(810,994)	(495,398)
Balance at 31 December 2019	(239,757)	12,271,678	1,413,329	(363,184)	874	(362,310)	10,765,883

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	
	Retained earnings/(Deficit)		Translation of			Other components of equity			
	Issued and paid share capital	Share premium on ordinary shares	Differences arising from common control transactions	Legal reserve	Deficit	financial statements	Share-based payment		components of equity
<i>Note</i>									
Year ended 31 December 2020									
Balance at 1 January 2020	1,413,329	12,271,678	(239,757)	-	(2,317,057)	(363,184)	874	(362,310)	10,765,883
Comprehensive income (expense) for the year									
Loss	-	-	-	-	(6,276,890)	-	-	-	(6,276,890)
Translation adjustments	-	-	-	-	-	124,375	-	124,375	124,375
Total comprehensive income (expense) for the year	-	-	-	-	(6,276,890)	124,375	-	124,375	(6,152,515)
Transfer to profit and loss	-	-	239,757	-	-	-	-	-	239,757
Balance at 31 December 2020	1,413,329	12,271,678	-	-	(8,593,947)	(238,809)	874	(237,935)	4,853,125

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements			
	Year ended 31 December		Year ended 31 December	
	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>				
Loss for the year	(109,594)	(24,216)	(3,434,329)	(749,721)
<i>Adjustments to reconcile loss to cash receipts (payments)</i>				
Tax expense	2,486	575	77,267	18,046
Finance costs	2,229	3,397	69,845	105,673
Depreciation	14,506	19,119	453,813	593,746
Amortisation	41	58	1,282	1,808
Unrealised gain on exchange	(463)	(121)	(14,041)	(3,935)
Loss (gain) from revaluation of trading securities	(507)	29	(16,401)	1,561
Loss from sale of trading securities	657	592	20,618	18,022
Share of (profit) loss of associates and joint ventures, net of tax	908	(4,756)	28,408	(147,742)
Impairment losses	10,006	5,078	311,579	153,763
Loss from disposal of investment in an associate	68,085	-	2,132,885	-
Reversal of losses on supplies and spare parts devaluation	-	(277)	-	(8,387)
Gains on disposals and write-offs of property, plant and equipment and intangible assets	(24)	(7)	(777)	(212)
Gain from loss of control in a subsidiary	-	(701)	-	(21,225)
Interest income	(80)	(655)	(2,451)	(20,413)
Provision for employee benefits	378	550	11,837	16,864
Loss from write-off non-refundable withholding tax	974	1,547	30,568	48,060
	<u>(10,398)</u>	<u>212</u>	<u>(329,897)</u>	<u>5,908</u>
<i>Changes in operating assets and liabilities</i>				
Restricted deposit at financial institutions	2,075	2,809	62,327	84,703
Trade and other accounts receivable	10,196	(11,290)	306,258	(340,439)
Supplies and spare parts	265	1,042	7,960	31,420
Other non-current assets	22	(28)	661	(844)
Trade and other accounts payable	(7,566)	5,267	(227,261)	158,822
Exchange rate losses from translating financial statements	-	1	-	32
Translation adjustments	-	-	18,817	(80,140)
Net cash used in operating activities	<u>(5,406)</u>	<u>(1,987)</u>	<u>(161,135)</u>	<u>(140,538)</u>
Provision for employee benefit paid	(109)	(42)	(3,404)	(1,317)
Taxes paid	(624)	(374)	(19,764)	(11,549)
Net cash used in operating activities	<u>(6,139)</u>	<u>(2,403)</u>	<u>(184,303)</u>	<u>(153,404)</u>

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

Mermaid Maritime Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements			
	Year ended 31 December		Year ended 31 December	
	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
<i>Cash flows from investing activities</i>				
Proceed from sale of current investments	4,343	7,208	130,451	217,350
Acquisition of current investments	(2,000)	(2,000)	(60,074)	(60,308)
Increase in long-term loan to other party	(498)	-	(14,958)	-
Proceeds from sale of property, plant and equipment	36	24	1,081	724
Acquisition of property, plant and equipment	(10,660)	(1,515)	(320,195)	(45,683)
Proceeds from sale of interest in associate	31,000	-	931,150	-
Acquisition of interest in joint venture	(35)	-	(1,051)	-
Interest received	135	703	4,055	21,198
Net cash from investing activities	22,321	4,420	670,459	133,281
<i>Cash flows from financing activities</i>				
Proceeds from short-term loans from financial institution	-	244	-	7,358
Repayment of short-term loans from financial institutions	(244)	-	(7,329)	-
Proceeds from long-term loans from financial institutions	7,960	-	239,095	-
Repayment of borrowings	(6,400)	(12,000)	(192,237)	(361,848)
Payment of lease liabilities	(99)	-	(2,974)	-
Finance costs paid	(2,179)	(3,351)	(68,284)	(104,239)
Net cash used in financing activities	(962)	(15,107)	(31,729)	(458,729)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	15,220	(13,090)	454,427	(478,852)
Net cash effect from loss of control in a subsidiary	-	(1,102)	-	(33,230)
Effect of exchange rates changes on cash and cash equivalents	40	204	1,310	6,527
Net increase (decrease) in cash and cash equivalents	15,260	(13,988)	455,737	(505,555)
Cash and cash equivalents at 1 January	22,496	36,484	678,344	1,183,899
Cash and cash equivalents at 31 December	37,756	22,496	1,134,081	678,344
<i>Non-cash transactions</i>				
Receivables for sales of property, plant and equipment	26	7	781	211
Payables for purchase of property, plant and equipment	1,912	242	57,431	7,297
Lease agreements for purchase of equipment	528	-	15,860	-

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	
	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Cash flows from operating activities				
Profit (loss) for the year	(202,865)	10,007	(6,276,890)	316,032
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Tax income	(6)	(29)	(184)	(878)
Depreciation	369	254	11,528	7,884
Amortization	7	9	221	282
Unrealised gain on exchange	(918)	(14,558)	(115,830)	(455,204)
Loss on disposed of investment in an associate	7,406	-	232,006	-
Loss on debt forgiveness to a subsidiary	71,912	-	2,243,577	-
Impairment losses	108,039	2,662	3,307,571	80,600
Loss from loan transfer from a subsidiary	13,373	-	427,231	-
Gains on disposal of property, plant and equipment	(26)	-	(815)	-
Interest income	(911)	(1,167)	(28,466)	(36,207)
Provision for employee benefits	32	126	1,001	3,851
Loss from write-off non-refundable withholding tax	25	-	765	-
	<u>(3,563)</u>	<u>(2,696)</u>	<u>(198,285)</u>	<u>(83,640)</u>
<i>Changes in operating assets and liabilities</i>				
Restricted deposit at financial institution	-	4,375	-	131,924
Receivables from related parties	50,701	(957)	1,522,911	(28,857)
Other accounts receivable	57	31	1,712	934
Other non-current assets	(19,694)	(13)	(591,551)	(392)
Other accounts payable	(78)	4	(2,342)	121
Translation adjustments	-	-	90,879	(1,665)
Net cash generated from operating activities	<u>27,423</u>	<u>744</u>	<u>823,324</u>	<u>18,425</u>
Taxes paid	<u>(27)</u>	<u>(46)</u>	<u>(845)</u>	<u>(1,430)</u>
Net cash from operating activities	<u>27,396</u>	<u>698</u>	<u>822,479</u>	<u>16,995</u>
Cash flows from investing activities				
Increased in short-term loans to related party	(5,000)	-	(150,186)	-
Proceeds from repayment of short-term loans to related party	-	1,300	-	39,200
Proceeds from sale of property, plant and equipment	26	-	781	-
Acquisition of property, plant and equipment	(47)	(35)	(1,412)	(1,055)
Interest received	5	39	150	1,176
Net cash from (used in) investing activities	<u>(5,016)</u>	<u>1,304</u>	<u>(150,667)</u>	<u>39,321</u>
Cash flows from financing activities				
Payment of lease liabilities	<u>(97)</u>	<u>-</u>	<u>(2,914)</u>	<u>-</u>
Net cash used in financing activities	<u>(97)</u>	<u>-</u>	<u>(2,914)</u>	<u>-</u>
Net increase in cash and cash equivalents, before effect of exchange rates	22,283	2,002	668,898	56,316
Effects of exchange rate changes on cash and cash equivalents	<u>(30)</u>	<u>121</u>	<u>(936)</u>	<u>3,679</u>
Net increase in cash and cash equivalents	<u>22,253</u>	<u>2,123</u>	<u>667,962</u>	<u>59,995</u>
Cash and cash equivalents at 1 January	<u>3,875</u>	<u>1,752</u>	<u>116,847</u>	<u>56,852</u>
Cash and cash equivalents at 31 December	<u>26,128</u>	<u>3,875</u>	<u>784,809</u>	<u>116,847</u>
Non-cash transactions				
Lease agreements for purchase of equipment	522	-	15,679	-

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

Mermaid Maritime Public Company Limited and its Subsidiaries
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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 25 February 2021.

1 General information

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

The Company and its subsidiaries, the “Group”, provide a wide range of services to the offshore oil & gas industries. The scope of services comprises sub-sea engineering and inspection by divers and remotely operated vehicle (“ROV”) systems and ownership and operations of a fleet of offshore service vessels and tender drilling rigs.

The Company is a subsidiary of Thoresen Thai Agencies Public Company Limited, which is incorporated in Thailand.

Details of the Company’s subsidiaries, associates, and joint venture as at 31 December 2020 and 2019 were as follows:

Name of the entities	Nature of business	Country of incorporation	Direct/Indirect holding (%)	
			31 December 2020	31 December 2019
<i>Subsidiaries</i>				
Mermaid Subsea Services (Thailand) Ltd., which has five subsidiaries and one joint venture as follows:	Subsea Service Provider, diving, ROV services and subsea contractor to the Offshore Oil and Gas industry	Thailand	100.0	100.0
<i>Subsidiaries</i>				
Seascope Surveys Pte. Ltd.,	Subsea Service Provider, hydrographic survey and positioning to the Offshore Oil and Gas industry	Singapore	100.0	100.0
Mermaid Offshore Services Pte. Ltd.	Subsea Service Provider, diving, ROV services and subsea contractor to the Offshore Oil and Gas industry	Singapore	100.0	100.0
Mermaid Subsea Services (Malaysia) Sdn. Bhd. ⁽¹⁾	”	Malaysia	45.0	45.0
Mermaid Subsea Services (UK) Ltd.	”	United Kingdom	100.0	-
Mermaid-MOE JV Co., Ltd. (formerly Mermaid-Meindo JV Co., Ltd.)	Offshore transportation, installation and decommissioning services	Thailand	100.0	-

Mermaid Maritime Public Company Limited and its Subsidiaries
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Name of the entities	Nature of business	Country of incorporation	Direct/Indirect holding (%)	
			31 December 2020	31 December 2019
<i>Joint venture</i>				
ZeaQuest Co., Ltd.	Robotics and artificial intelligence developer and commercial subsea engineering service provider	Thailand	50.00	-
Mermaid Drilling Ltd., which has three subsidiaries as follows:	Production and exploration drilling services	Thailand	95.0	95.0
MTR - 1 Ltd.	Drilling services	Thailand	95.0	95.0
MTR - 2 Ltd.	"	Thailand	95.0	95.0
Mermaid Drilling (Malaysia) Sdn. Bhd. ⁽²⁾	"	Malaysia	95.0	95.0
Mermaid Maritime Mauritius Ltd., which has one subsidiary as follows:	Investment holding	Mauritius	100.0	100.0
Mermaid International Ventures, which has three subsidiaries and four associates as follows:	"	Cayman	100.0	100.0
<i>Subsidiaries</i>				
Mermaid Subsea Services (International) Ltd., which has two subsidiaries as follows:	Subsea Service Provider, diving, ROV services and subsea contractor to the Offshore Oil and Gas industry	Seychelles	100.0	100.0
Mermaid Subsea Services Saudi Arabia Co., Ltd.	"	Saudi Arabia	95.0	95.0
Mermaid Subsea Services LLC ⁽¹⁾	"	Qatar	49.0	49.0
<i>Associates</i>				
Asia Offshore Drilling Limited, which has three subsidiaries as follows:	Drilling services	Bermuda	-	33.76
Asia Offshore Rig 1 Limited	"	Bermuda	-	33.76
Asia Offshore Rig 2 Limited	"	Bermuda	-	33.76
Asia Offshore Rig 3 Limited	"	Bermuda	-	33.76
<i>Associates</i>				
PTGC Co., Ltd.	Real estate	Cambodia	49.00	49.00
<i>Joint venture</i>				
Zamil Mermaid Offshore Services Co. (LLC)	Inspection, installation, repair and maintenance services for Offshore Oil and Gas industry	Saudi Arabia	40.00	40.00

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

⁽²⁾ Mermaid Drilling (Malaysia) Sdn. Bhd. has been registered for the liquidation.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements
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2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies.

The Group has initially applied TFRS 16 Leases which impact on the financial statements is as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in thousand US Dollar)</i>	
<i>Impact from the adoption of TFRS16</i>		
<i>At 1 January 2020</i>		
Increase in right-of-use assets	572	397
Increase in lease liabilities	(572)	(397)

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Impact from the adoption of TFRS16</i>		
<i>At 1 January 2020</i>		
Increase in right-of-use assets	17,249	11,995
Increase in lease liabilities	(17,249)	(11,995)

In addition, the Group has not early adopted a number of new and revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The consolidated financial statements are stated in US Dollar, which is the Company’s functional currency, and Thai Baht, which is the Company’s designated presentation currency and accordingly the Company has prepared financial statements in both US Dollar and Thai Baht. The basis of the translation from the functional currency (US Dollar) to the presentation currency (Thai Baht) is disclosed in Note 3(c).

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Notes to the financial statements
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(c) Use of judgements and estimates

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

Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

3(t) and 16	Revenue recognition: estimate of expected returns;
10 and 11	Impairment test: key assumptions underlying recoverable amounts;
13	Measurement of defined benefit obligations: key actuarial assumptions;
20	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;
22	Measurement of ECL allowance for trade accounts receivable and contract assets: key assumptions in determining the weighted-average loss rate; and
22	Determining the fair value of financial instruments on the basis of significant unobservable inputs.

3 Significant accounting policies

The accounting policies set out below have been applied to all periods presented in these financial statements, unless stated otherwise.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and joint ventures.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control. The acquisition date is the date on which control is transferred to the acquirer.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

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Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Acquisitions from entities under common control

Business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method the acquirer recognizes assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognized as surplus or discount from business combinations under common control in shareholder's equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

Subsidiaries

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

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

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

Mermaid Maritime Public Company Limited and its Subsidiaries
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Interests in equity-accounted investees

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

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

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

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) *Investments in subsidiaries, associates and joint ventures*

Investments in subsidiaries, associates and joint ventures in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

Disposal of investments in the separate financial statements

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

If the Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(c) *Foreign currencies*

Foreign currency transactions

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

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

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

Foreign currency differences are generally recognised in profit or loss.

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

- (a) assets and liabilities for each financial position presented are translated at the closing rate at the date of the statement of financial position;
- (b) income and expenses for each income statement are translated at average exchange rate (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates on the dates of the transactions); and
- (c) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

(d) *Financial instruments*

(d.1) Recognition and initial measurement

Trade receivables, debt securities issued and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability unless it is a trade receivable without a significant financing component or measured at FVTPL is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

(d.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (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.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

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All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – business model assessment

The Group makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model and the financial assets held within that business model and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs e.g. liquidity risk and administrative costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

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Financial assets – subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and impairment 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.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(d.3) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to 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 enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

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.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

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(d.4) Offsetting

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 it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(e) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

Restricted deposit

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

(f) Trade and other accounts receivable and a contract asset

A receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is measured at transaction price less allowance for expected credit loss which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

Contract assets are measured at the amount of consideration that the Group is entitled to, less impairment losses.

(g) Supplies and spare parts

Vessel supplies and spare parts mainly comprise bunker, vessel supplies, and spare parts are stated at the lower of cost and net realisable value. Bunker supplies are determined on a first-in, first-out basis. Vessel supplies and spare parts are determined on a weighted average basis. Supplies and spare parts are determined on a weighted average basis.

(h) Investment properties

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

Investment properties are 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 investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

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

Buildings and building improvement	10 and 20 years
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No depreciation is provided on freehold land or assets under construction.

(i) Property, plant and equipment

Recognition and measurement

Owned assets

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 the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

Subsequent costs

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

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings and building improvement	10 and 20 years
Offshore support vessels	5 to 30 years
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

No depreciation is provided on freehold land or assets under construction.

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.

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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.

(j) *Contract cost assets*

Contract cost assets are the incremental costs to obtain a contract with a customer. The Group expects to recover these costs. However, the incremental costs of obtaining a contract are expensed when incurred, if the expected amortisation period is one year or less.

Contract cost assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on a straight-line basis over the term of the contract it relates to, consistent with the related revenue recognition.

(k) *Intangible assets*

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 4(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Other intangible assets

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

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Computer software	1, 3 and 5 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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(l) Leases

Accounting policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

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

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

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 lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under a residual value guarantee. The lease payments also include amount under purchase, extension or termination option if the Group is reasonably certain to exercise option. Variable lease payments that do not depend on index or a rate are recognised as expenses in the accounting period in which they are incurred.

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 change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. 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.

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

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When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognises lease payments received under operating leases as revenue from rendering of services on a straight-line basis over the lease term as part of 'revenue from rendering of services'. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as revenue from rendering of services. Contingent rents are recognised as revenue from rendering of services in the accounting period in which they are earned.

The Group recognises finance lease receivables at the amount of the Group's net investment in the lease, which comprises the present value of the lease payments and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group applies the derecognition and impairment requirements in TFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

Accounting policies applicable before 1 January 2020

As a lessee, leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

As a lessor, rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

(m) *Impairment of financial assets*

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost including cash and cash equivalents, trade receivables and other receivables, loans to others and related parties, debt investments measured at FVOCI, contract assets, lease receivables, and loan commitments issued which are not measured at FVTPL.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

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ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables, lease receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, 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.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

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 financial instruments' 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 to actions such as realising security (if any is held); or
- the financial asset is more than 180 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the Group recognises an impairment loss in profit or loss with the corresponding entry in other comprehensive income.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 180 days past due, probable the debtor will enter bankruptcy.

Write-off

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.

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(n) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(o) Contract liabilities

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is 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.

(p) Employee benefits

Defined contribution plans

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

Defined benefit plans

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

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

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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.

Other long-term employee benefits

The Group 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

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

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.

(q) Share-based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(r) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

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(s) *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.

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

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short 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 and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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.

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

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

(t) *Revenue*

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.

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Rendering of services

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

(u) Other income

Other income comprises dividend, interest income and others. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(v) Interest

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset when the asset is not credit-impaired or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(w) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

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

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

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. 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.

(x) *Earnings per share*

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(y) *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 are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(z) *Segment reporting*

Segment results that are reported to the Group's Chief Operation Decision Maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

4 Related parties

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

Name of entities	Country of incorporation/ nationality	Nature of relationship
Thoresen Thai Agencies Public Company Limited	Thailand	Ultimate parent company, some common directors
Thoresen & Company (Bangkok) Limited	Thailand	99.9% holding by a subsidiary of ultimate parent company
Unique Mining Services Public Company Limited	Thailand	92.9% holding by the ultimate parent company
PSM Land Company Limited	Thailand	One of the director of ultimate parent company is a major shareholder
Natural Bev Co., Ltd.	Thailand	One of the director of ultimate parent company is a major shareholder
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

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

Transactions	Pricing policies
Rendering of services	Prices normally charged to a third party
Management fee	Actual cost plus margin
Interest income and interest expenses	Market linked rate / Borrowing costs of the lender
Rental income	Actual cost plus margin
Rental expense	Market price, Contractual price
Other income	Actual cost plus margin
Administrative expenses	Actual cost plus margin
Management benefit expenses	Amount approved by the directors and/or the shareholders

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

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Significant transactions for the years ended 31 December with related parties were as follows:

<i>Year ended 31 December</i>	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Parent				
Other income	7	-	216	-
Administrative expenses	67	83	2,108	2,575
Associates				
Other income	67	-	2,051	-
Joint venture				
Rendering of services	56,665	62,252	1,772,663	1,930,499
Costs of rendering of services	80	5	2,539	154
Administrative expenses	1	62	32	1,904
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	1,474	1,670	46,173	51,768
Post-employment benefits	6	25	195	777
Total key management personnel compensation	<u>1,480</u>	<u>1,695</u>	<u>46,368</u>	<u>52,545</u>
Other related parties				
Other income	10	-	319	-
Administrative expenses	58	64	1,814	1,987

<i>Year ended 31 December</i>	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Parent				
Other income	7	-	216	-
Administrative expenses	67	83	2,108	2,575
Associates				
Other income	24	-	735	-
Subsidiaries				
Management fee income	420	534	13,166	16,579
Interest income	910	1,126	28,434	34,949
Other income	265	322	8,318	9,995
Administrative expenses	11	10	343	310
Loss on debt forgiveness	71,912	-	2,201,557	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	1,474	1,670	46,173	51,768
Post-employment benefits	6	25	195	777
Total key management personnel compensation	<u>1,480</u>	<u>1,695</u>	<u>46,368</u>	<u>52,545</u>
Other related parties				
Other income	10	-	319	-
Other administrative expenses	58	63	1,814	1,956

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Trade accounts receivable				
Joint venture	10,749	11,924	322,869	359,556
Net	10,749	11,924	322,869	359,556
Other accounts receivables				
Parent	4	-	120	-
Associates	37	12	1,112	362
Joint venture	73	-	2,193	-
Other related parties	7,542	7,543	226,540	227,451
	<u>7,656</u>	<u>7,555</u>	<u>229,965</u>	<u>227,813</u>
Less allowance for expected credit loss <i>(2019: allowance for doubtful accounts)</i>	<u>(7,542)</u>	<u>(5,400)</u>	<u>(226,540)</u>	<u>(162,831)</u>
Net	114	2,155	3,425	64,982
Expected credit losses <i>(2019: Bad and doubtful debts expense)</i> for the year	<u>2,142</u>	<u>5,400</u>	<u>67,102</u>	<u>163,501</u>

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Short-term loans to				
Other related parties	18,350	18,350	551,181	553,326
Less allowance for expected credit loss <i>(2019: allowance for doubtful accounts)</i>	<u>(18,350)</u>	<u>(12,979)</u>	<u>(551,181)</u>	<u>(391,369)</u>
Net	-	5,371	-	161,957
Expected credit losses <i>(2019: Bad and doubtful debts expense)</i> for the year	<u>5,371</u>	<u>12,979</u>	<u>168,256</u>	<u>392,978</u>

Movements during the years ended 31 December of short-term loans to related parties, excluding interest receivables from related parties, were as follows:

	Interest rate	Consolidated financial statements	
		31 December 2019	31 December 2020
Other related parties	1.50	5,371	-
Total		5,371	-
		<u>(5,371)</u>	<u>-</u>
		<u>5,371</u>	<u>-</u>

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

	Interest rate	Consolidated financial statements			31 December 2020
		31 December 2019	Impairment loss <i>(in thousand Baht)</i>	Translation adjustment	
Other related parties	1.50	161,957	(168,256)	6,299	-
Total		161,957			-

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Trade accounts payables				
Other related parties	17	608	511	18,334
Joint venture	173	151	5,196	4,553
Total	190	759	5,707	22,887
Other accounts payables				
Parent	-	8	-	241
Other related parties	-	4	-	121
Total	-	12	-	362

	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Other accounts receivables				
Parent	4	-	120	-
Subsidiaries	2,977	65,307	89,420	1,969,267
Subsidiaries - transferred investments in associates under common control	-	89,119	-	2,687,294
Associates	37	12	1,112	362
Joint Venture	30	-	901	-
	3,048	154,438	91,553	4,656,923
Less allowance for expected credit loss <i>(2019: allowance for doubtful accounts)</i>	(2,809)	(32,215)	(84,374)	(971,411)
Net	239	122,223	7,179	3,685,512
Expected credit losses <i>(2019: Bad and doubtful debts expense)</i> for the year	1,127	2,662	34,502	80,600

Other accounts receivable from transferred investment in associates under common control

On 26 September 2014, the Company agreed to transfer the investment in associates, Asia offshore Drilling Group, to a subsidiary, Mermaid International Ventures "MIV" at cost of US Dollar 97.6 million for consideration received of Baht 2,899.0 million or equivalent to US Dollar 90.2 million. During the year ended 31 December 2020, the Company received cash from an indirect subsidiary of US Dollar 17.2 million and the Company forgiveness of the remaining debt due from an indirect subsidiary. As a result, the Company accounted for a losses from debt forgiveness by US Dollar 71.9 million as other expense in separate financial statements.

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	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
<i>Other non-current receivables</i>				
Subsidiaries	50,304	-	1,510,987	-
	<u>50,304</u>	<u>-</u>	<u>1,510,987</u>	<u>-</u>
<i>Less allowance for expected credit loss</i> <i>(2019: allowance for doubtful accounts)</i>	(30,638)	-	(920,277)	-
Net	<u>19,666</u>	<u>-</u>	<u>590,710</u>	<u>-</u>

	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
<i>Loans to</i>				
Subsidiaries	67,518	75,658	2,028,044	2,281,391
<i>Less allowance for expected credit loss</i> <i>(2019: allowance for doubtful accounts)</i>	(31,121)	(25,713)	(934,784)	(775,350)
Total	<u>36,397</u>	<u>49,945</u>	<u>1,093,260</u>	<u>1,506,041</u>

Expected credit losses <i>(2019: Bad and doubtful debts expense)</i> for the year	<u>5,315</u>	<u>25,713</u>	<u>162,717</u>	<u>775,350</u>
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Movements during the years ended 31 December of loans to related parties, excluding interest receivables from related parties, were as follows:

	Interest rate 31 December (% per annum)	31 December 2019	Separate financial statements			Unrealised losses on exchange	31 December 2020
			Increase	Decrease	Impairment <i>(in thousand US Dollar)</i>		
Subsidiaries	1.50	49,945	5,000	(13,373)	(5,315)	140	36,397
Total		<u>49,945</u>					<u>36,397</u>

	Interest rate 31 December (% per annum)	31 December 2019	Separate financial statements				Translation adjustment	31 December 2020
			Increase	Decrease	Impairment	Unrealised losses on exchange <i>(in thousand Baht)</i>		
Subsidiaries	1.50	1,506,041	150,186	(401,686)	(162,717)	4,369	(2,933)	1,093,260
Total		<u>1,506,041</u>						<u>1,093,260</u>

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

	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
<i>Other accounts payable</i>				
Parent	-	8	-	241
Subsidiaries	31	19	931	574
Other related parties	-	2	-	60
Total	<u>31</u>	<u>29</u>	<u>931</u>	<u>875</u>

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements
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5 Cash and cash equivalents

	Consolidated financial statements			
	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Cash on hand	34	58	1,021	1,749
Cash at bank	<u>37,722</u>	<u>22,438</u>	<u>1,133,060</u>	<u>676,595</u>
Total	<u>37,756</u>	<u>22,496</u>	<u>1,134,081</u>	<u>678,344</u>

	Separate financial statements			
	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Cash on hand	1	1	30	30
Cash at bank	<u>26,127</u>	<u>3,874</u>	<u>784,779</u>	<u>116,817</u>
Total	<u>26,128</u>	<u>3,875</u>	<u>784,809</u>	<u>116,847</u>

6 Restricted deposit at financial institution

Consolidated financial statements

As at 31 December 2020, US Dollar 8.0 million or equivalent to Baht 240.1 million (2019: US Dollar 7.6 million or equivalent to Baht 229.2 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 2020, US Dollar 1.2 million or equivalent to Baht 36.0 million (2019: US Dollar 3.7 million or equivalent to Baht 111.6 million) restricted deposit at financial institutions were deposited by subsidiaries to secure the performance guarantee from the financial institution.

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7 Investment in associates and joint venture

	Type of business	Country of incorporation	Ownership interest (%)		Paid-up capital	Consolidated financial statements (in thousand US Dollar)						
			2020	2019		2020	2019	2020	2019	2020	2019	
Associates												
<i>Direct associate</i>												
PTGC Co., Ltd.	Real estate	Cambodia	49.00	49.00	USD 19 million	USD 19 million	22,507	22,507	22,407	22,420	-	-
<i>Indirect associates</i>												
Asia Offshore												
Drilling Limited ^(A)	Drilling services	Bermuda	-	33.76	-	USD 60 million	-	97,582	-	99,940	-	-
Total							22,507	120,089	22,407	122,360	-	-
Joint ventures												
<i>Direct joint venture</i>												
Zamil Mermaid Offshore Services Co. (LLC)	Inspection, installation, repair and maintenance services for Offshore	Saudi Arabia	40.00	40.00	SAR 2 million	SAR 2 million	213	213	1,571	1,577	-	-
<i>Indirect joint venture</i>												
ZeaQuest Co., Ltd.	Robotics and artificial intelligence developer and commercial subsea engineering service provider	Thailand	50.00	-	THB 2,194 thousand	-	35	-	-	-	-	-
Total							248	213	1,571	1,577	-	-

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	Type of business	Country of incorporation	Ownership interest (%)		Paid-up capital	Consolidated financial statements				Dividend income		
			2020	2019		2020	2019	2020	2019	2020	2019	
						2020	2019	(in thousand Baht)				
Associates												
<i>Direct associate</i>												
PTGC Co., Ltd.	Real estate	Cambodia	49.00	49.00	USD 19 million	USD 19 million	676,045	678,676	673,041	676,053	-	-
<i>Indirect associates</i>												
Asia Offshore Drilling Limited ^(A)	Drilling services	Bermuda	-	33.76	USD 60 million	-	2,942,488	-	-	3,013,590	-	-
Total						676,045	3,621,164	673,041	673,041	3,689,643	-	-
Joint ventures												
<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	6,398	6,423	47,188	47,553	-	-
<i>Indirect joint venture</i>												
ZeaQuest Co., Ltd.	Robotics and artificial intelligence developer and commercial subsea engineering service provider	Thailand	50.00	-	THB 2,194 thousand	-	1,051	-	-	-	-	-
Total						7,449	6,423	47,188	47,188	47,553	-	-

^(A) Asia Offshore Drilling Limited comprises three subsidiaries, which are Asia Offshore Rig 1 Limited, Asia Offshore Rig 2 Limited, and Asia Offshore Rig 3 Limited.

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

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	Type of business	Country of incorporation	Ownership interest (%)		Paid-up capital	Separate financial statements			Dividend income for the year	
			2020	2019		(in thousand US Dollar)				
			2020	2019		2020	2019	2020		2019
Associate										
PTGC Co., Ltd.	Real estate	Cambodia	49.00	49.00	USD 19 million	USD 19 million	22,507	22,507	-	-
Total							<u>22,507</u>	<u>22,507</u>	<u>-</u>	<u>-</u>
Joint venture										
Zamil Mermaid Offshore Services Co. (LLC)	Inspection, installation, repair and maintenance services for Offshore Oil and Gas industry	Saudi Arabia	40.00	40.00	SAR 2 million	SAR 2 million	213	213	-	-
Total							<u>213</u>	<u>213</u>	<u>-</u>	<u>-</u>

Mermaid Maritime Public Company Limited and its Subsidiaries
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	Type of business	Country of incorporation	Ownership interest (%)		Paid-up capital		Separate financial statements			Dividend income for the year	
			2020	2019	2020	2019	2020	2019	2020		2019
					2020	2019	Cost	(in thousand Baht)			
Associate											
PTGC Co., Ltd.	Real estate	Cambodia	49.00	49.00	USD 19 million	USD 19 million	676,045	678,676	-	-	
Total							676,045	678,676	-	-	
Joint venture											
Zamil Mermaid Offshore Services Co. (LLC)	Inspection, installation, repair and maintenance services for Offshore Oil and Gas industry	Saudi Arabia	40.00	40.00	SAR 2 million	SAR 2 million	6,398	6,423	-	-	
Total							6,398	6,423	-	-	

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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Associates

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

	PTGC Co., Ltd.			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Revenue	-	-	-	-
Loss from continuing operations	(28)	(10)	(877)	(309)
Total comprehensive loss (100%)	(28)	(10)	(877)	(309)
Group's share of total comprehensive expense	(13)	(5)	(430)	(151)
Current assets	3	1	90	30
Non-current assets	19,360	19,360	581,518	583,781
Current liabilities	(42)	-	(1,232)	-
Non-current liabilities	-	(12)	-	(362)
Net assets (100%)	19,321	19,349	580,376	583,449
Group's share of net assets (% hold)	9,468	9,481	284,384	285,890
Goodwill	12,939	12,939	388,657	390,163
Carrying amount of investment in associate	22,407	22,420	673,041	676,053
	Asia Offshore Drilling Limited			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Revenue	28,119	61,177	888,327	1,899,120
Profit (loss) from continuing operations	(2,547)	15,747	(79,745)	487,879
Total comprehensive (loss) income (100%)	(2,547)	15,747	(79,745)	487,879
Total comprehensive (loss) income of the group interest	(860)	5,316	(26,922)	164,699
Adjust (loss) income from prior year	6	(12)	188	(379)
Group's share of total comprehensive (loss) income	(854)	5,304	(26,734)	164,320
Current assets	-	97,081	-	2,927,380
Non-current assets	-	409,172	-	12,338,172
Current liabilities	-	(11,946)	-	(360,220)
Non-current liabilities	-	(198,278)	-	(5,978,875)
Net assets (100%)	-	296,029	-	8,926,457
Group's share of net assets (% hold)	-	99,940	-	3,013,590
Carrying amount of investment in associate	-	99,940	-	3,013,590

Mermaid Maritime Public Company Limited and its Subsidiaries

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Disposal of investment in an associate

On 4 April 2018, Mermaid International Ventures (“MIV”), an indirect subsidiary of the Company, entered into a Transaction Support Agreement (“TSA”) with Seadrill Limited (“Seadrill”) in which the TSA provided that, among other things, Seadrill would grant to MIV a put option (“Put Option”) in respect of MIV’s shares in Asia Offshore Drilling Limited (“AOD”).

On 11 September 2020, MIV exercised the Put Option to sell all of its 33.76% interest in AOD to Seadrill for a consideration of US Dollar 31.0 million in cash which fully received in September 2020. The Consideration had been mutually agreed between MIV and Seadrill pursuant to the terms of the TSA, taking to consideration, which two independent valuations of the three jack-up drilling rigs owned by AOD and the net book value of the other net assets of AOD.

As a result, AOD was no longer an associated company of the Group as at 31 December 2020. The Group recognized loss from disposal of interest in AOD in the consolidated statements of comprehensive income for the year ended 31 December 2020 of US Dollar 68.1 million and the Company transferred the difference arising from prior common control transaction of the Company transferring interest in AOD to MIV of US Dollar 7.4 million to profit and loss in the separate statements of comprehensive income for the year ended 31 December 2020.

The Board of Directors of the Company consider that the exercise of the Put Options is in the best interests of the Company and the shareholders and in the ordinary course of business of the Company.

Immaterial Joint venture

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

	Immaterial Joint venture			
	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Carrying amount of interest in immaterial joint venture	1,571	1,577	47,188	47,553
Group’s share of:				
- Loss from continuing operations	<u>(41)</u>	<u>(543)</u>	<u>(1,244)</u>	<u>(16,426)</u>
- Total comprehensive expense	<u>(41)</u>	<u>(543)</u>	<u>(1,244)</u>	<u>(16,426)</u>

New joint venture company

ZeaQuest Company Limited (“ZeaQuest”) was incorporated on 27 October 2020 with THB 5.0 million authorized share capital which is 50% owned by Mermaid Subsea Services (Thailand) Ltd (“MSST”) and 50% owned by AI and Robotics Ventures Co., Ltd. The issued shares were 43.88% paid-up, representing Baht 1.1 million. The main business of ZeaQuest is to develop robotics and artificial intelligence (“AI”) technology to provide commercial subsea engineering services.

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8 Investments in subsidiaries

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost – net		Dividend income for the year	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Direct subsidiaries										
Mermaid Subsea Services (Thailand) Ltd.	THB 2,130 million	THB 2,130 million	153,485	153,485	(98,123)	-	55,362	153,485	-	-
Mermaid Drilling Ltd.	THB 410 million	THB 410 million	14,074	14,074	(14,074)	(10,600)	-	3,474	-	-
Mermaid Maritime Mauritius Ltd.	USD 1	USD 1	-	-	-	-	-	-	-	-
Total			167,559	167,559	(112,197)	(10,600)	55,362	156,959	-	-

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Name of subsidiary	Paid - up capital		Cost		Impairment		At cost – net		Dividend income for the year	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
			<i>(in thousand US Dollar)</i>							
Indirect subsidiaries										
Seascope Surveys Pte. Ltd.	SGD 100	SGD 100	14,268	14,268	(14,268)	(14,268)	-	-	-	-
Mermaid Subsea Services (Malaysia) Sdn. Bhd.	MYR 550 thousand	MYR 350 thousand	139	90	-	-	139	90	-	-
Mermaid Subsea Services (UK) Ltd.	GBP 100 thousand	-	130	-	-	-	130	-	-	-
Mermaid-MOE JV Co., Ltd.	THB 250 thousand	-	8	-	-	-	8	-	-	-
Mermaid Offshore Services Pte. Ltd.	USD 20,400 thousand	USD 20,400 thousand	20,400	20,400	(20,400)	(20,400)	-	-	-	-
MTR - 1 Ltd.	THB 240 million	THB 240 million	6,255	6,255	(6,255)	(6,255)	-	-	-	-
MTR - 2 Ltd.	THB 268 million	THB 350 million	5,661	8,334	(5,661)	(5,930)	-	2,404	-	-
Mermaid Drilling (Malaysia) Sdn. Bhd.	MYR 500 thousand	MYR 500 thousand	164	164	(164)	(164)	-	-	-	-
Mermaid International Ventures	USD 100	USD 100	-	-	-	-	-	-	-	-
Mermaid Subsea Services (International) Ltd.	USD 1	USD 1	7,586	7,586	-	-	7,586	7,586	-	-
Mermaid Subsea Services Saudi Arabia Co., Ltd.	SAR 500 thousand	SAR 500 thousand	386	386	-	-	386	386	-	-
Mermaid Subsea Services LLC	QAR 200 thousand	QAR 200 thousand	55	55	-	-	55	55	-	-
Total			55,052	57,538	(46,748)	(47,017)	8,304	10,521	-	-

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost – net		Dividend income for the year	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
					<i>(in thousand Baht)</i>					
Direct subsidiaries										
Mermaid Subsea Services (Thailand) Ltd.	THB 2,130 million	THB 2,130 million	4,610,244	4,628,187	(2,947,330)	-	1,662,914	4,628,187	-	-
Mermaid Drilling Ltd.	THB 410 million	THB 410 million	422,742	424,387	(422,742)	(319,632)	-	104,755	-	-
Mermaid Maritime Mauritius Ltd.	USD 1	USD 1	-	-	-	-	-	-	-	-
Total			5,032,986	5,052,574	(3,370,072)	(319,632)	1,662,914	4,732,942	-	-

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

Name of subsidiary	Paid - up capital		Cost		Impairment		At cost - net		Dividend income for the year	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
					<i>(in thousand Baht)</i>					
Indirect subsidiaries										
Seascope Surveys Pte. Ltd.	SGD 100	SGD 100	428,569	430,237	(428,569)	(430,237)	-	-	-	-
Mermaid Subsea Services (Malaysia) Sdn. Bhd.	MYR 550 thousand	MYR 350 thousand	4,175	2,714	-	-	4,175	2,714	-	-
Mermaid Subsea Services (UK) Ltd.	GBP 100 thousand	-	3,905	-	-	-	3,905	-	-	-
Mermaid-MOE JV Co., Ltd.	THB 250 thousand	-	240	-	-	-	240	-	-	-
Mermaid Offshore Services Pte. Ltd.	USD 20,400 thousand	USD 20,400 thousand	612,757	615,142	(612,757)	(615,142)	-	-	-	-
MTR - 1 Ltd.	THB 240 million	THB 240 million	187,882	188,613	(187,882)	(188,613)	-	-	-	-
MTR - 2 Ltd.	THB 268 million	THB 350 million	170,040	251,303	(170,040)	(178,813)	-	72,490	-	-
Mermaid Drilling (Malaysia) Sdn. Bhd.	MYR 500 thousand	MYR 500 thousand	4,926	4,945	(4,926)	(4,945)	-	-	-	-
Mermaid International Ventures	USD 100	USD 100	3	3	-	-	3	3	-	-
Mermaid Subsea Services (International) Ltd.	USD 1	USD 1	227,861	228,748	-	-	227,861	228,748	-	-
Mermaid Subsea Services Saudi Arabia Co., Ltd.	SAR 500 thousand	SAR 500 thousand	11,594	11,639	-	-	11,594	11,639	-	-
Mermaid Subsea Services LLC	QAR 200 thousand	QAR 200 thousand	1,652	1,658	-	-	1,652	1,658	-	-
Total			1,653,604	1,735,002	(1,404,174)	(1,417,750)	249,430	317,252	-	-

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

During the year ended 31 December 2020, there were no disposal of investments in subsidiaries.

During the year 2020, the Company recognised an impairment loss of US Dollar 101.6 million on investment in subsidiaries as a result of lower recoverable amounts compared to carrying amounts.

The recoverable amounts of subsidiaries were determined based on their equity's value. The equity's value determined by adjusted enterprise value with the equity's assets and liabilities.

The enterprise's values were determined using an income approach based on cash flow projection of each subsidiary.

The key assumptions affecting cash flow projections include future utilization rates, day rates, operating cash costs, and discount factor. A terminal growth rate of 0% was applied. A WACC of 8.36% was used as the discount rate in the value in use calculations. The cost of equity component was derived using the capital asset pricing model. The cost of debt was estimated based on current debt facilities of the subsidiaries.

Incorporation of a subsidiaries

At the Board of Directors' meeting of Mermaid Subsea Service (Thailand) Ltd. ("MSST"), a direct subsidiary, held on 10 September 2020, MSST's Board of Directors approved to set up a new subsidiary, Mermaid-MOE JV Co., Ltd. ("MMJV") which is fully owned by MSST. The main business of this subsidiary is to provide subsea and related services. MMJV was incorporated on 10 September 2020 with Baht 1.0 million authorised share capital. As at 31 December 2020, the issued shares were 25% paid-up, representing Baht 0.3 million.

At the Board of Directors' meeting of Mermaid Subsea Service (Thailand) Ltd. ("MSST"), a direct subsidiary, held on 31 January 2020, MSST's Board of Directors approved to set up a new foreign subsidiary, Mermaid Subsea Services (UK) Limited ("MSS UK"), which is fully owned by MSST. The main business of this subsidiary is to provide subsea and related services. MSS UK was incorporated on 7 February 2020 with GBP 0.1 million authorised share capital.

Change the name of a subsidiary

On 9 October 2020, Mermaid-Meindo JV Co., Ltd. registered with the Ministry of Commerce to change the Company's name from "Mermaid-Meindo JV Co., Ltd" to "Mermaid-MOE JV Co., Ltd".

Increase in share capital of a subsidiary

On 7 February 2020, the shareholders of Mermaid Subsea Services (Malaysia) Ltd. ("MSSM") approved the increase in share capital of MSSM by MYR 0.2 million, from MYR 0.4 million to MYR 0.6 million. The addition shares were authorised and issued on 7 February 2020.

Decrease in share capital of a subsidiary

At the Extraordinary General Meeting of MTR-2 Ltd. ("MTR-2"), an indirect subsidiary, held on 26 October 2020, the shareholders approved to decrease share capital of MTR-2 by Baht 82.3 million, from Baht 350.0 million to Baht 267.7 million. The decrease shares were registered on 1 December 2020.

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

Loss of control in a subsidiary

As at 31 December 2019, the Group remains engaged in a number of legal proceedings regarding the ownership of share capital and management of the affairs of PT Seascope Surveys Indonesia (“PTSSI”). The outcome of these disputes remain uncertain and the process likely to be protracted. In the course of the disputes, the Group assesses that there is a loss of control over PTSSI at this time and to deconsolidate PTSSI from the consolidated financial statements. The Group recognises an investment in PTSSI as an other long-term investment under other non-current assets measured at fair value, other accounts receivable due from PTSSI, short-term loan to related party and trade accounts payable due to PTSSI in the consolidated statement of financial position as at 31 December 2019. As a result, the Group recognises gain from loss of control in a subsidiary in the consolidated statement of comprehensive income for the year ended 31 December 2019 in amount of US Dollar 0.7 million or equivalent to Baht 21.2 million.

9 Investments properties

	Consolidated financial statements		
	Land	Buildings	Total
	<i>(in thousand US Dollar)</i>		
Cost			
At 1 January 2019	248	1,271	1,519
At 31 December 2019 and at 1 January 2020	248	1,271	1,519
At 31 December 2020	248	1,271	1,519
Depreciation			
At 1 January 2019	-	931	931
Depreciation charge for the year	-	49	49
At 31 December 2019 and at 1 January 2020	-	980	980
Depreciation charge for the year	-	47	47
At 31 December 2020	-	1,027	1,027
Net book value			
At 31 December 2019	248	291	539
At 31 December 2020	248	244	492
	Consolidated financial statements		
	Land	Buildings	Total
	<i>(in thousand Baht)</i>		
Cost			
At 1 January 2019	8,047	41,244	49,291
Translation adjustments	(569)	(2,918)	(3,487)
At 31 December 2019 and at 1 January 2020	7,478	38,326	45,804
Translation adjustments	(29)	(149)	(178)
At 31 December 2020	7,449	38,177	45,626
Depreciation			
At 1 January 2019	-	30,211	30,211
Depreciation charge for the year	-	1,521	1,521
Translation adjustments	-	(2,181)	(2,181)
At 31 December 2019 and at 1 January 2020	-	29,551	29,551
Depreciation charge for the year	-	1,468	1,468
Translation adjustments	-	(171)	(171)
At 31 December 2020	-	30,848	30,848
Net book value			
At 31 December 2019	7,478	8,775	16,253
At 31 December 2020	7,449	7,329	14,778

Mermaid Maritime Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

	Separate financial statements			Total
	Land	Buildings (in thousand US Dollar)	Buildings improvement	
<i>Cost</i>				
At 1 January 2019	838	4,390	160	5,388
At 31 December 2019 and at 1 January 2020	838	4,390	160	5,388
At 31 December 2020	838	4,390	160	5,388
<i>Depreciation</i>				
At 1 January 2019	-	3,232	143	3,375
Depreciation charge for the year	-	175	12	187
At 31 December 2019 and at 1 January 2020	-	3,407	155	3,562
Depreciation charge for the year	-	169	3	172
At 31 December 2020	-	3,576	158	3,734
<i>Net book value</i>				
At 31 December 2019	838	983	5	1,826
At 31 December 2020	838	814	2	1,654
	Separate financial statements			Total
	Land	Buildings (in thousand Baht)	Buildings improvement	
<i>Cost</i>				
At 1 January 2019	27,193	142,455	5,192	174,840
Translation adjustments	(1,924)	(10,079)	(367)	(12,370)
At 31 December 2019 and at 1 January 2020	25,269	132,376	4,825	162,470
Translation adjustments	(98)	(513)	(19)	(630)
At 31 December 2020	25,171	131,863	4,806	161,840
<i>Depreciation</i>				
At 1 January 2019	-	104,878	4,640	109,518
Depreciation charge for the year	-	5,433	372	5,805
Translation adjustments	-	(7,576)	(338)	(7,914)
At 31 December 2019 and at 1 January 2020	-	102,735	4,674	107,409
Depreciation charge for the year	-	5,292	94	5,386
Translation adjustments	-	(614)	(22)	(636)
At 31 December 2020	-	107,413	4,746	112,159
<i>Net book value</i>				
At 31 December 2019	25,269	29,641	151	55,061
At 31 December 2020	25,171	24,450	60	49,681

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

<i>Year ended 31 December</i>	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019 <i>(in thousand US Dollar)</i>	2020 <i>(in thousand Baht)</i>	2019 <i>(in thousand Baht)</i>
<i>Amounts recognised in profit or loss</i>				
Rental income	140	244	4,394	7,578

Fair value of investment properties were appraised based on valuation report by an independent professional valuer, at open market values on an existing use basis. The appraised value of investment properties was US Dollar 2.2 million or equivalent to Baht 67.0 million (2019: US Dollar 2.3 million or equivalent to Baht 67.8 million) and US Dollar 6.1 million or equivalent to Baht 183.6 million (2019: US Dollar 6.2 million or equivalent to Baht 186.9 million) in the consolidated and separate financial statements, respectively. The fair value of investment property has been categorised as a Level 3 fair value.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements
For the year ended 31 December 2020

10 Property, plant and equipment

Consolidated financial statements

	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles	Offshore support vessels	Dry-docking	Motor launches	Construction in progress	Total
<i>Cost</i>											
At 1 January 2019	590	3,240	1,991	87,051	3,691	1,780	296,911	27,311	3,093	1,927	427,585
Additions	-	-	-	266	188	38	2	770	79	141	1,484
Transfers	-	-	-	-	-	-	-	565	-	(565)	-
Disposals	-	-	-	(1,296)	(57)	(25)	-	-	-	-	(1,378)
Effect from loss of control in a subsidiary	-	-	(444)	(6,172)	(527)	(440)	(1,045)	(930)	-	-	(9,558)
Write off	-	-	-	-	-	-	-	(12)	-	(52)	(64)
At 31 December 2019	590	3,240	1,547	79,849	3,295	1,353	295,868	27,704	3,172	1,451	418,069
At 1 January 2020	-	-	41	497	57	-	-	11,735	-	-	12,330
Additions	-	-	-	39	-	-	-	102	-	(141)	-
Transfers	-	-	-	(573)	(519)	(95)	-	-	-	-	(1,187)
Disposals	-	-	-	-	(104)	-	-	-	-	-	(10,481)
Write off	-	-	-	-	-	-	-	(10,377)	-	-	(10,481)
At 31 December 2020	590	3,240	1,588	79,812	2,729	1,258	295,868	29,164	3,172	1,310	418,731

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

Consolidated financial statements

	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>											
Depreciation											
At 1 January 2019	-	(2,381)	(1,450)	(60,897)	(3,207)	(1,257)	(119,569)	(18,770)	(1,354)	-	(208,885)
Depreciation charge for the year	-	(133)	(301)	(4,969)	(238)	(203)	(7,807)	(5,258)	(161)	-	(19,070)
Disposals	-	-	-	1,296	57	25	-	-	-	-	1,378
Effect from loss of control in a subsidiary	-	-	247	4,298	425	283	323	875	-	-	6,451
Write off	-	-	-	-	-	-	-	12	-	-	12
At 31 December 2019 and 1 January 2020	-	(2,514)	(1,504)	(60,272)	(2,963)	(1,152)	(127,053)	(23,141)	(1,515)	-	(220,114)
Depreciation charge for the year	-	(129)	(25)	(3,384)	(193)	(99)	(7,278)	(3,060)	(145)	-	(14,313)
Disposals	-	-	-	578	514	95	-	-	-	-	1,187
Write off	-	-	-	-	71	-	-	10,377	-	-	10,448
At 31 December 2020	-	(2,643)	(1,529)	(63,078)	(2,571)	(1,156)	(134,331)	(15,824)	(1,660)	-	(222,792)

Mermaid Maritime Public Company Limited and its Subsidiaries
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Consolidated financial statements

	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles	Offshore support vessels	Dry-docking	Motor launches	Construction in progress	Total
<i>Impairment losses</i>											
At 1 January 2019	-	-	-	(5,452)	-	-	(40,464)	(1,841)	-	(1,514)	(49,271)
Impairment losses	-	-	-	(628)	-	-	(4,429)	-	-	-	(5,057)
Effect from loss of control in a subsidiary	-	-	-	663	-	-	657	56	-	204	1,580
At 31 December 2019	-	-	-	(5,417)	-	-	(44,236)	(1,785)	-	(1,310)	(52,748)
and 1 January 2020	-	-	-	(5,417)	-	-	(44,236)	(1,785)	-	(1,310)	(52,748)
At 31 December 2020	-	-	-	(5,417)	-	-	(44,236)	(1,785)	-	(1,310)	(52,748)
<i>Net book value</i>											
At 31 December 2019	590	726	43	14,160	332	201	124,579	2,778	1,657	141	145,207
At 31 December 2020	590	597	59	11,317	158	102	117,301	11,555	1,512	-	143,191

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Consolidated financial statements

	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles <i>(in thousand Baht)</i>	Offshore support vessels	Dry-docking	Motor launches	Construction in progress	Total
Cost											
At 1 January 2019	19,145	105,137	64,608	2,824,788	119,772	57,761	9,634,703	886,236	100,367	62,531	13,875,048
Additions	-	-	-	8,021	5,669	1,146	60	23,219	2,382	4,252	44,749
Transfers	-	-	-	-	-	-	-	17,037	-	(17,037)	-
Disposals	-	-	-	(39,080)	(1,719)	(754)	-	-	-	-	(41,553)
Effect from loss of control in a subsidiary	-	-	(13,388)	(186,110)	(15,891)	(13,268)	(31,511)	(28,043)	-	-	(288,211)
Write off	-	-	-	-	-	-	-	(362)	-	(1,568)	(1,930)
Translation adjustments	(1,354)	(7,438)	(4,571)	(199,852)	(8,474)	(4,087)	(681,648)	(62,701)	(7,101)	(4,425)	(981,651)
At 31 December 2019 and 1 January 2020	17,791	97,699	46,649	2,407,767	99,357	40,798	8,921,604	835,386	95,648	43,753	12,606,452
Additions	-	-	1,232	14,928	1,712	-	-	352,485	-	-	370,357
Transfers	-	-	-	1,171	-	-	-	3,064	-	(4,235)	-
Disposals	-	-	-	(17,211)	(15,589)	(2,854)	-	-	-	-	(35,654)
Write off	-	-	-	-	(3,124)	-	-	(311,695)	-	-	(314,819)
Translation adjustments	(69)	(379)	(182)	(9,334)	(385)	(157)	(34,587)	(3,238)	(370)	(169)	(48,870)
At 31 December 2020	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

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Consolidated financial statements

	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
Depreciation											
At 1 January 2019	-	(77,263)	(47,052)	(1,976,095)	(104,067)	(40,789)	(3,879,990)	(609,083)	(43,937)	-	(6,778,276)
Depreciation charge for the year	-	(4,128)	(9,371)	(154,330)	(7,398)	(6,357)	(242,349)	(163,290)	(5,002)	-	(592,225)
Disposals	-	-	-	39,080	1,719	754	-	-	-	-	41,553
Effect from loss of control in a subsidiary	-	-	7,448	129,602	12,815	8,534	9,740	26,385	-	-	194,524
Write off	-	-	-	-	-	-	-	362	-	-	362
Translation adjustments	-	5,584	3,623	144,301	7,585	3,121	281,443	47,832	3,256	-	496,745
At 31 December 2019	-	(75,807)	(45,352)	(1,817,442)	(89,346)	(34,737)	(3,831,156)	(697,794)	(45,683)	-	(6,637,317)
and 1 January 2020	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	(4,038)	(783)	(105,831)	(6,047)	(3,098)	(227,892)	(96,573)	(4,542)	-	(447,804)
Disposals	-	-	-	17,361	15,439	2,854	-	-	-	-	35,654
Write off	-	-	-	-	2,133	-	-	311,695	-	-	313,828
Translation adjustments	-	457	208	11,232	596	258	24,134	6,365	363	-	43,613
At 31 December 2020	-	(79,388)	(45,927)	(1,894,680)	(77,225)	(34,723)	(4,034,914)	(475,307)	(49,862)	-	(6,692,026)

Mermaid Maritime Public Company Limited and its Subsidiaries

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Consolidated financial statements

	Land	Buildings	Building improvement	Tools and equipment	Office equipment	Motor vehicles (in thousand Baht)	Offshore support vessels	Dry- docking	Motor launches	Construction in progress	Total
Impairment losses											
At 1 January 2019	-	-	-	(176,917)	-	-	(1,313,049)	(59,740)	-	(49,129)	(1,598,835)
Impairment losses	-	-	-	(19,015)	-	-	(134,101)	-	-	-	(153,116)
Effect from loss of control in a subsidiary	-	-	-	19,992	-	-	19,811	1,689	-	6,151	47,643
Translation adjustments	-	-	-	12,596	-	-	93,447	4,226	-	3,476	113,745
At 31 December 2019 and 1 January 2020	-	-	-	(163,344)	-	-	(1,333,892)	(53,825)	-	(39,502)	(1,590,563)
Translation adjustments	-	-	-	633	-	-	5,171	209	-	153	6,166
At 31 December 2020	-	-	-	(162,711)	-	-	(1,328,721)	(53,616)	-	(39,349)	(1,584,397)
Net book value											
At 31 December 2019	17,791	21,892	1,297	426,981	10,011	6,061	3,756,556	83,767	49,965	4,251	4,378,572
At 31 December 2020	17,722	17,932	1,772	339,930	4,746	3,064	3,523,382	347,079	45,416	-	4,301,043

Security

As at 31 December 2020, the Group's property, plant and equipment with a net book value of US Dollar 110.9 million (2019: US Dollar 110.0 million) were registered to secure short-term and long-term facilities with financial institutions.

Mermaid Maritime Public Company Limited and its Subsidiaries
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Separate financial statements

	Buildings	Building improvement	Tools and equipment <i>(in thousand US Dollar)</i>	Office equipment <i>(in thousand US Dollar)</i>	Motor vehicles	Total
Cost						
At 1 January 2019	120	447	77	1,857	39	2,540
Additions	-	-	-	14	22	36
At 31 December 2019 and 1 January 2020	120	447	77	1,871	61	2,576
Additions	-	41	-	6	-	47
Disposals	-	-	-	(470)	(32)	(502)
At 31 December 2020	120	488	77	1,407	29	2,121
Depreciation						
At 1 January 2019	(81)	(443)	(73)	(1,758)	(39)	(2,394)
Depreciation charge for the year	(6)	-	(3)	(56)	(2)	(67)
At 31 December 2019 and 1 January 2020	(87)	(443)	(76)	(1,814)	(41)	(2,461)
Depreciation charge for the year	(6)	(1)	(1)	(41)	(5)	(54)
Disposals	-	-	-	470	32	502
At 31 December 2020	(93)	(444)	(77)	(1,385)	(14)	(2,013)
Net book value						
At 31 December 2019	33	4	1	57	20	115
At 31 December 2020	27	44	-	22	15	108

Mermaid Maritime Public Company Limited and its Subsidiaries
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	Separate financial statements					Total
	Buildings	Building improvement	Tools and equipment <i>(in thousand Baht)</i>	Office equipment	Motor vehicles	
Cost						
At 1 January 2019	3,894	14,505	2,499	60,259	1,266	82,423
Additions	-	-	-	422	663	1,085
Translation adjustments	(276)	(1,026)	(176)	(4,263)	(90)	(5,831)
At 31 December 2019 and 1 January 2020	3,618	13,479	2,323	56,418	1,839	77,677
Additions	-	1,232	-	180	-	1,412
Disposals	-	-	-	(14,117)	(961)	(15,078)
Translation adjustments	(14)	(53)	(10)	(219)	(7)	(303)
At 31 December 2020	3,604	14,658	2,313	42,262	871	63,708
Depreciation						
At 1 January 2019	(2,628)	(14,375)	(2,369)	(57,047)	(1,266)	(77,685)
Depreciation charge for the year	(186)	-	(94)	(1,738)	(61)	(2,079)
Translation adjustments	191	1,017	170	4,086	91	5,555
At 31 December 2019 and 1 January 2020	(2,623)	(13,358)	(2,293)	(54,699)	(1,236)	(74,209)
Depreciation charge for the year	(189)	(31)	(31)	(1,290)	(155)	(1,696)
Disposals	-	-	-	14,708	1,001	15,709
Translation adjustments	19	53	12	(320)	(31)	(267)
At 31 December 2020	(2,793)	(13,336)	(2,312)	(41,601)	(421)	(60,463)
Net book value						
At 31 December 2019	995	121	30	1,719	603	3,468
At 31 December 2020	811	1,322	1	661	450	3,245

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11 Goodwill

	Consolidated financial statements			
	2020 (in thousand US Dollar)	2019	2020 (in thousand Baht)	2019
Cost				
At 1 January	10,136	10,136	305,641	328,911
Translation adjustments	-	-	(1,185)	(23,270)
At 31 December	10,136	10,136	304,456	305,641
Impairment loss				
At 1 January	(8,070)	(8,070)	(243,343)	(261,870)
Impairment loss	(2,066)	-	(63,250)	-
Translation adjustments	-	-	2,137	18,527
At 31 December	(10,136)	(8,070)	(304,456)	(243,343)
Net book value				
At 1 January	<u>2,066</u>	<u>2,066</u>	<u>62,298</u>	<u>67,041</u>
At 31 December	<u>-</u>	<u>2,066</u>	<u>-</u>	<u>62,298</u>

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

Goodwill and impairment loss on goodwill was allocated to the following cash-generating units ("CGU"):

Seascope CGU

	Consolidated financial statements			
	2020 (in thousand US Dollar)	2019	2020 (in thousand Baht)	2019
Cost				
At 1 January	8,070	8,070	243,343	261,870
Translation adjustments	-	-	(944)	(18,527)
At 31 December	8,070	8,070	242,399	243,343
Impairment loss				
At 1 January	(8,070)	(8,070)	(243,343)	(261,870)
Translation adjustments	-	-	944	18,527
At 31 December	(8,070)	(8,070)	(242,399)	(243,343)
Net book value				
At 1 January	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The recoverable amount of Seascope CGU estimated using the value in use method was less than the total carrying amount of Seascope CGU and the goodwill allocated to it. As a result, goodwill allocated to Seascope CGU was fully impaired as at 31 December 2015.

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Mermaid Subsea Services (International) ("MSSI") CGU

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Cost				
At 1 January	2,066	2,066	62,298	67,041
Translation adjustments	-	-	(241)	(4,743)
At 31 December	2,066	2,066	62,057	62,298
Impairment loss				
At 1 January	-	-	-	-
Impairment loss	(2,066)	-	(63,250)	-
Translation adjustments	-	-	1,193	-
At 31 December	(2,066)	-	(62,057)	-
Net book value				
At 1 January	2,066	2,066	62,298	67,041
At 31 December	-	2,066	-	62,298

The recoverable amount of MSSI CGU estimated using the value in use method was less than the total carrying amount of MSSI CGU and the goodwill allocated to it. As a result, goodwill allocated to MSSI CGU was fully impaired as at 31 December 2020. The cash flows were projected over a period of 5 years before a terminal growth rate was applied to reflect management's estimate of the cyclic nature of day rates earned by MSSI CGU. The key assumptions used in the estimation of MSSI CGU's value in use were as follow;

Key assumptions	Value
Discount rate	8.36 %
Terminal value growth rate	0 %

12 Interest-bearing liabilities

	Consolidated financial statements		
	Secured	2020 Unsecured <i>(in thousand US Dollar)</i>	Total
Current portion of long-term borrowings from financial institutions	13,544	-	13,544
Current portion of lease liabilities	40	166	206
Long-term borrowings from financial institutions	43,869	-	43,869
Lease liabilities <i>(2019: Finance lease liabilities)</i>	11	211	222
Total interest-bearing liabilities	57,464	377	57,841

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Consolidated financial statements

	2020		Total
	Secured	Unsecured <i>(in thousand Baht)</i>	
Current portion of long-term borrowings from financial institutions	406,822	-	406,822
Current portion of lease liabilities	1,202	4,986	6,188
Long-term borrowings from financial institutions	1,317,698	-	1,317,698
Lease liabilities <i>(2019: Finance lease liabilities)</i>	330	6,338	6,668
Total interest-bearing liabilities	1,726,052	11,324	1,737,376

Consolidated financial statements

	2019		Total
	Secured	Unsecured <i>(in thousand US Dollar)</i>	
Short-term borrowings from financial institutions	-	244	244
Current portion of long-term borrowings from financial institutions	11,953	-	11,953
Long-term borrowings from financial institutions	43,846	-	43,846
Total interest-bearing liabilities	55,799	244	56,043

Consolidated financial statements

	2019		Total
	Secured	Unsecured <i>(in thousand Baht)</i>	
Short-term borrowings from financial institutions	-	7,358	7,358
Current portion of long-term borrowings from financial institutions	360,431	-	360,431
Long-term borrowings from financial institutions	1,322,132	-	1,322,132
Total interest-bearing liabilities	1,682,563	7,358	1,689,921

Separate financial statements

	2020		Total
	Secured	Unsecured <i>(in thousand US Dollar)</i>	
Current portion of lease liabilities	40	164	204
Lease liabilities <i>(2019: Finance lease liabilities)</i>	11	210	221
Total interest-bearing liabilities	51	374	425

Separate financial statements

	2020		Total
	Secured	Unsecured <i>(in thousand Baht)</i>	
Current portion of lease liabilities	1,202	4,926	6,128
Lease liabilities <i>(2019: Finance lease liabilities)</i>	330	6,308	6,638
Total interest-bearing liabilities	1,532	11,234	12,766

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The Group's long-term borrowings from financial institutions bear effective interest rates of 2.89% and 2.99% per annum (2019: 4.61% per annum).

As at 31 December 2020, the Group and the Company had unutilised credit facilities totalling US Dollar 5.1 million or equivalent to Baht 155.0 million and US Dollar 0.3 million or equivalent to Baht 10.0 million, respectively (2019: US Dollar 5.1 million or equivalent to Baht 155.0 million and US Dollar 0.3 million or equivalent to Baht 10.0 million, respectively).

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

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
At 1 January	55,799	67,725	1,682,563	2,197,662
Addition	7,960	-	239,095	-
Repayments during year	(6,400)	(12,000)	(192,237)	(361,848)
Amortisation to profit and loss (front end fee)	54	74	1,692	2,312
Translation adjustments	-	-	(6,593)	(155,563)
At 31 December	<u>57,413</u>	<u>55,799</u>	<u>1,724,520</u>	<u>1,682,563</u>

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

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Currencies:				
US Dollar	57,413	56,043	1,724,520	1,689,921
Total	<u>57,413</u>	<u>56,043</u>	<u>1,724,520</u>	<u>1,689,921</u>

Long-term borrowings for the purchase of support vessels were granted by commercial banks and were denominated in US Dollar, having a total outstanding balance of US Dollar 57.4 million as at 31 December 2020 (2019: US Dollar 55.8 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.

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 Provisions for employee benefits

	Consolidated financial statements			
	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Post-employment benefits	2,322	1,961	69,746	59,132
Other long-term employee benefits	89	88	2,673	2,654
Total	2,411	2,049	72,419	61,786
	Separate financial statements			
	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
Post-employment benefits	255	223	7,659	6,724
Other long-term employee benefits	19	19	571	573
Total	274	242	8,230	7,297
	Consolidated financial statements			
	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>		<i>(in thousand Baht)</i>	
At 1 January	2,049	2,504	61,786	81,254
Include in profit or loss:				
Current service costs	403	562	12,594	17,309
Interest on obligation	19	18	595	554
Past service costs	-	69	-	2,099
Curtailment gain	(44)	(99)	(1,419)	(3,119)
	378	550	11,770	16,843
Include in other comprehensive income:				
Actuarial (gains) losses				
- Demographic assumptions	-	1	-	30
- Financial assumptions	(40)	33	(1,253)	992
- Experience adjustment	133	(8)	4,166	(242)
Others:				
Benefits paid	(109)	(42)	(3,337)	(1,328)
Disposal from deconsolidation of a subsidiary	-	(989)	-	(29,945)
Translation adjustments	-	-	(713)	(5,818)
	(16)	(1,005)	(1,137)	(36,311)
At 31 December	2,411	2,049	72,419	61,786

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	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
At 1 January	242	105	7,297	3,407
Include in profit or loss:				
Current service costs	25	42	784	1,289
Interest on obligation	7	6	219	185
Past service cost	-	77	-	2,322
	<u>32</u>	<u>125</u>	<u>1,003</u>	<u>3,796</u>
Include in other comprehensive income:				
Actuarial losses				
- Demographic assumptions	-	4	-	121
- Financial assumptions	-	5	-	164
- Experience adjustment	-	3	-	91
Others:				
Translation adjustments	-	-	(70)	(282)
	<u>-</u>	<u>12</u>	<u>(70)</u>	<u>94</u>
At 31 December	<u>274</u>	<u>242</u>	<u>8,230</u>	<u>7,297</u>

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	2.55 – 3.20	2.55 – 3.90	2.55 – 3.02	2.55 – 3.02
Future salary growth	2.50 – 5.00	2.50 – 5.00	5.00	5.00
Employee turnover	5.00 – 34.38	5.00 – 34.38	5.00 – 34.38	5.00 – 34.38

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

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.

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<i>Effect to the defined benefit obligation At 31 December</i>	Consolidated financial statements			
	2020	2019	2020	2019
	Increase in assumption		Decrease in assumption	
	<i>(in thousand US Dollar)</i>			
Post-employment benefits				
Discount rate (1%)	(148)	(150)	171	116
Future salary growth (1%)	182	121	(159)	(156)
Employee turnover (20%)	(82)	(105)	105	133
Future mortality (20%)	(8)	(10)	8	10
Other long-term employee benefits				
Discount rate (1%)	(5)	(5)	6	6
Employee turnover (20%)	(9)	(12)	12	15
<i>Effect to the defined benefit obligation At 31 December</i>	Consolidated financial statements			
	2020	2019	2020	2019
	Increase in assumption		Decrease in assumption	
	<i>(in thousand Baht)</i>			
Post-employment benefits				
Discount rate (1%)	(4,445)	(4,523)	5,136	3,498
Future salary growth (1%)	5,467	3,649	(4,776)	(4,704)
Employee turnover (20%)	(2,463)	(3,166)	3,154	4,010
Future mortality (20%)	(240)	(302)	240	302
Other long-term employee benefits				
Discount rate (1%)	(150)	(151)	180	181
Employee turnover (20%)	(270)	(362)	360	452
<i>Effect to the defined benefit obligation At 31 December</i>	Separate financial statements			
	2020	2019	2020	2019
	Increase in assumption		Decrease in assumption	
	<i>(in thousand US Dollar)</i>			
Post-employment benefits				
Discount rate (1%)	(25)	(24)	29	28
Future salary growth (1%)	33	28	(29)	(28)
Employee turnover (20%)	(41)	(36)	52	46
Future mortality (20%)	(4)	(3)	4	3
Other long-term employee benefits				
Discount rate (1%)	(1)	(1)	1	1
Employee turnover (20%)	(3)	(3)	4	3
<i>Effect to the defined benefit obligation At 31 December</i>	Separate financial statements			
	2020	2019	2020	2019
	Increase in assumption		Decrease in assumption	
	<i>(in thousand Baht)</i>			
Post-employment benefits				
Discount rate (1%)	(751)	(724)	871	844
Future salary growth (1%)	991	844	(871)	(844)
Employee turnover (20%)	(1,232)	(1,086)	1,562	1,387
Future mortality (20%)	(120)	(90)	120	90
Other long-term employee benefits				
Discount rate (1%)	(30)	(30)	30	30
Employee turnover (20%)	(90)	(90)	120	90

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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14 Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

15 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Difference arising from common control transactions

The differences arising from common control transactions represent the excess of the book values of certain entities or businesses under common control over their cost as of the date of their acquisition and have been recorded as a reserve. It is non-distributable and will be retained until the respective subsidiaries are sold or otherwise disposed of.

Other components of equity

Currency translation differences

The currency translation differences account within equity related to foreign currency differences arising from the translation of the financial statements of foreign operations to US Dollar and Thai Baht.

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

16 Segment information and disaggregation of revenue

The Group has two reportable segments, as described below, which are the Group’s strategic divisions. The strategic divisions offer different services and are managed separately because they require different marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group’s reportable segments.

Business segments

The Group comprises the following main business segments:

Segment 1	Subsea group
Segment 2	Holding

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Revenue, results and timing of revenue recognition, based on business segments, in the consolidated financial statements for the year ended 31 December 2020 and 2019 were as follows:

	Consolidated financial statements For the year ended 31 December 2020				
	Subsea group	Holding	Total <i>(in thousand US Dollar)</i>	Elimination	Group
Disaggregation of revenue					
Primary geographical markets					
Saudi Arabia	63,627	-	63,627	(7)	63,620
Qatar	19,940	-	19,940	-	19,940
Myanmar	212	-	212	-	212
Thailand	7	-	7	-	7
Total revenue	83,786	-	83,786	(7)	83,779
Major products/service lines					
Providing services	83,786	-	83,786	(7)	83,779
Total revenue	83,786	-	83,786	(7)	83,779
Timing of revenue recognition					
Over time	83,786	-	83,786	(7)	83,779
Total revenue	83,786	-	83,786	(7)	83,779
Information about reportable segment					
Revenue from rendering of services	83,786	-	83,786	(7)	83,779
Operating profit (loss)	(32,437)	(124,835)	(157,272)	121,386	(35,886)
Loss on disposal of investment in an associate	-	(68,085)	(68,085)	-	(68,085)
Share of loss of associates and joint venture	(41)	(867)	(908)	-	(908)
Finance costs	(2,257)	(11)	(2,268)	39	(2,229)
Tax (expense) income	(2,492)	6	(2,486)	-	(2,486)
Profit (loss) for the year	(37,227)	(193,792)	(231,019)	121,425	(109,594)

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	Consolidated financial statements For the year ended 31 December 2020				
	Subsea group	Holding	Total <i>(in thousand US Dollar)</i>	Elimination	Group
Total assets	209,193	134,120	343,313	(82,806)	260,507
Total liabilities	218,026	1,820	219,846	(136,642)	83,204
Capital expenditure	12,282	47	12,329	-	12,329
Depreciation	14,139	367	14,506	-	14,506
Amortisation	34	7	41	-	41
Gain (loss) on disposal property, plant and equipment	(10)	26	16	6	22
Impairment losses	10,006	-	10,006	-	10,006

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Consolidated financial statements For the year ended 31 December 2019

Subsea group	Holding	Total (in thousand US Dollar)	Elimination	Group
<i>Disaggregation of revenue</i>				
Primary geographical markets				
Saudi Arabia	-	68,279	(12)	68,267
Qatar	-	34,002	-	34,002
Thailand	-	3,664	-	3,664
Total revenue	-	105,945	(12)	105,933
Major products/service lines				
Providing services	-	105,945	(12)	105,933
Total revenue	-	105,945	(12)	105,933
Timing of revenue recognition				
Over time	-	105,945	(12)	105,933
Total revenue	-	105,945	(12)	105,933
<i>Information about reportable segment</i>				
Revenue from rendering of services	-	105,945	(12)	105,933
Operating profit (loss)	2,380	(27,413)	2,413	(25,000)
Share of profit (loss) of associates and joint venture	5,299	4,756	-	4,756
Finance costs	-	(3,644)	247	(3,397)
Tax (expense) income	29	(575)	-	(575)
Profit (loss) for the year	7,708	(26,876)	2,660	(24,216)

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	Consolidated financial statements For the year ended 31 December 2019				
	Subsea group	Holding	Total <i>(in thousand US Dollar)</i>	Elimination	Group
Total assets	253,824	406,169	659,993	(285,945)	374,048
Total liabilities	226,985	14,727	241,712	(154,657)	87,055
Capital expenditure	1,449	35	1,484	-	1,484
Depreciation	18,861	258	19,119	-	19,119
Amortisation	49	9	58	-	58
Gain on disposal property, plant and equipment	7	-	7	-	7
Impairment losses	5,057	-	5,057	-	5,057
Gain from loss of control in a subsidiary	-	701	701	-	701

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Consolidated financial statements For the year ended 31 December 2020

Subsea group	Holding	Total <i>(in thousand Baht)</i>	Elimination	Group
<i>Disaggregation of revenue</i>				
Primary geographical markets				
Saudi Arabia	-	1,990,890	(219)	1,990,671
Qatar	-	619,130	-	619,130
Myanmar	-	6,633	-	6,633
Thailand	-	208	-	208
Total revenue	-	2,616,861	(219)	2,616,642
Major products/service lines				
Providing services	-	2,616,861	(219)	2,616,642
Total revenue	-	2,616,861	(219)	2,616,642
Timing of revenue recognition				
Over time	-	2,616,861	(219)	2,616,642
Total revenue	-	2,616,861	(219)	2,616,642
<i>Information about reportable segment</i>				
Revenue from rendering of services	-	2,616,861	(219)	2,616,642
Operating profit (loss)	(3,841,410)	(4,859,948)	3,734,024	(1,125,924)
Loss on disposal of investment in an associate	(2,132,885)	(2,132,885)	-	(2,132,885)
Share of loss of associates and joint venture	(27,163)	(28,408)	-	(28,408)
Finance costs	(343)	(71,030)	1,185	(69,845)
Tax (expense) income	184	(77,267)	-	(77,267)
Profit (loss) for the year	(6,001,617)	(7,169,538)	3,735,209	(3,434,329)

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	Consolidated financial statements For the year ended 31 December 2020				
	Subsea group	Holding	Total <i>(in thousand Baht)</i>	Elimination	Group
Total assets	6,283,551	4,028,576	10,312,127	(2,487,252)	7,824,875
Total liabilities	6,548,868	54,668	6,603,536	(4,104,329)	2,499,207
Capital expenditure	368,915	1,412	370,327	-	370,327
Depreciation	442,348	11,465	453,813	-	453,813
Amortisation	1,063	219	1,282	-	1,282
Gain (loss) on disposal property, plant and equipment	(291)	815	524	192	716
Impairment losses	311,579	-	311,579	-	311,579

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Consolidated financial statements For the year ended 31 December 2019

Subsea group	Holding	Total (in thousand Baht)	Elimination	Group
<i>Disaggregation of revenue</i>				
Primary geographical markets				
Saudi Arabia	-	2,117,277	(375)	2,116,902
Qatar	-	1,056,812	-	1,056,812
Thailand	-	112,330	-	112,330
Total revenue	-	3,286,419	(375)	3,286,044
Major products/service lines				
Providing services	-	3,286,419	(375)	3,286,044
Total revenue	-	3,286,419	(375)	3,286,044
Timing of revenue recognition				
Over time	-	3,286,419	(375)	3,286,044
Total revenue	-	3,286,419	(375)	3,286,044
<i>Information about reportable segment</i>				
Revenue from rendering of services	-	3,286,419	(375)	3,286,044
Operating profit (loss)	77,074	(846,609)	72,865	(773,744)
Share of profit (loss) of associates and joint venture	164,168	147,742	-	147,742
Finance costs	-	(113,344)	7,671	(105,673)
Tax (expense) income	878	(18,046)	-	(18,046)
Profit (loss) for the year	242,120	(830,257)	80,536	(749,721)

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	Consolidated financial statements For the year ended 31 December 2019				
	Subsea group	Holding	Total <i>(in thousand Baht)</i>	Elimination	Group
Total assets	7,653,807	12,247,620	19,901,427	(8,622,386)	11,279,041
Total liabilities	6,844,509	444,077	7,288,586	(4,663,527)	2,625,059
Capital expenditure	43,694	1,055	44,749	-	44,749
Depreciation	585,736	8,010	593,746	-	593,746
Amortisation	1,528	280	1,808	-	1,808
Gain on disposal property, plant and equipment	212	-	212	-	212
Impairment losses	153,116	-	153,116	-	153,116
Gain from loss of control in a subsidiary	-	21,225	21,225	-	21,225

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Geographical information

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

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

	Assets			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Thailand	196,707	182,581	5,908,508	5,505,547
Saudi Arabia	50,234	58,668	1,508,884	1,769,074
Qatar	12,214	22,387	366,873	675,058
Singapore	652	7,619	19,584	229,743
United Arab Emirates	435	2,512	13,066	75,746
Cayman	6	99,995	180	3,015,249
Other countries	259	286	7,780	8,624
Total	260,507	374,048	7,824,875	11,279,041

Major customers

Revenues from the major customers of the Group's Segments Subsea represents approximately US Dollar 79.0 million (2019: US Dollar 97.5 million) of the Group's total revenues.

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17 Cost of rendering of services

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Crew, staff and subcontractor costs	44,982	48,975	1,405,386	1,518,733
Vessel expenses and repair and maintenance expenses	21,530	27,325	673,474	848,106
Depreciation	13,866	18,192	433,806	564,876
Charter hire and equipment rental	9,161	5,591	288,470	173,884
Recharge expenses related to services provided	3,138	4,925	98,667	151,367
Mobilisation/demobilisation expense	2,675	4,037	83,516	124,995
Amortisation	-	7	-	221
Total	95,352	109,052	2,983,319	3,382,182

18 Administrative expenses

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Impairment losses	10,006	5,078	311,582	153,763
Employee benefit expense	8,845	9,747	277,054	302,433
Professional fees	1,809	2,294	56,451	71,261
Withholding tax not recoverable	1,006	1,656	31,586	51,451
Depreciation	640	927	20,007	28,870
Travelling expenses	501	795	15,640	24,701
Office and office equipment rental	255	410	7,976	12,738
Bank charge	205	498	6,414	15,411
Amortisation	41	51	1,282	1,587
Insurance and port expenses	-	14	-	436
Others	1,356	2,187	42,281	69,933
Total	24,664	23,657	770,273	732,584

	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Impairment losses	108,039	2,662	3,307,571	80,600
Loss from loan transfer from a subsidiary	13,373	-	427,231	-
Employee benefit expense	2,211	2,639	69,169	81,798
Professional fees	933	528	29,163	16,394
Depreciation	369	254	11,528	7,884
Travelling expenses	53	91	1,660	2,812
Others	387	554	12,092	17,207
Total	125,365	6,728	3,858,414	206,695

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19 Employee benefit expense

	Consolidated financial statements			
	2020 (in thousand US Dollar)	2019	2020 (in thousand Baht)	2019
Crew expenses and subcontractor	44,982	48,975	1,405,386	1,518,733
Wages and salaries	5,654	6,674	176,867	207,173
Staff welfare	1,981	1,537	62,331	47,742
Contribution to defined contribution plans and social security and expenses related to define benefit plans	767	1,050	23,987	32,429
Bonus	182	198	5,703	6,131
Others	261	288	8,166	8,958
Total	53,827	58,722	1,682,440	1,821,166

	Separate financial statements			
	2020 (in thousand US Dollar)	2019	2020 (in thousand Baht)	2019
Wages and salaries	1,561	1,855	48,816	57,562
Staff welfare	233	318	7,307	9,870
Contribution to defined contribution plans and social security and expenses related to define benefit plans	138	253	4,316	7,795
Bonus	130	56	4,066	1,698
Others	149	157	4,664	4,873
Total	2,211	2,639	69,169	81,798

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rate 7% of their basic salaries and by the Group at rate 7% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Manager.

20 Income tax

Income tax recognized in profit or loss

	Consolidated financial statements			
	2020 (in thousand US Dollar)	2019	2020 (in thousand Baht)	2019
Current tax expense				
Current taxes	390	627	12,026	19,618
Adjustment for prior year	14	9	438	275
	404	636	12,464	19,893
Deferred tax expense (benefit)				
Deferred taxes	2,082	(61)	64,803	(1,847)
Total	2,486	575	77,267	18,046

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	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019 <i>(in thousand US Dollar)</i>	2020 <i>(in thousand Baht)</i>	2019 <i>(in thousand Baht)</i>
Deferred tax benefit				
Deferred taxes	(6)	(29)	(184)	(878)
Total	(6)	(29)	(184)	(878)

Income tax recognized in other comprehensive income

	Consolidated financial statements					
	Before tax <i>(Note 13)</i>	2020 Tax (expense) benefit	Net of tax <i>(in thousand US Dollar)</i>	Before tax <i>(Note 13)</i>	2019 Tax (expense) benefit	Net of tax
Defined benefit plan actuarial gains (losses)	(93)	(3)	(96)	(26)	24	(2)
Total	(93)	(3)	(96)	(26)	24	(2)

	Consolidated financial statements					
	Before tax <i>(Note 13)</i>	2020 Tax (expense) benefit	Net of tax <i>(in thousand Baht)</i>	Before tax <i>(Note 13)</i>	2019 Tax (expense) benefit	Net of tax
Defined benefit plan actuarial gains (losses)	(2,913)	(92)	(3,005)	(780)	718	(62)
Total	(2,913)	(92)	(3,005)	(780)	718	(62)

	Separate financial statements					
	Before tax <i>(Note 13)</i>	2020 Tax (expense) benefit	Net of tax <i>(in thousand US Dollar)</i>	Before tax <i>(Note 13)</i>	2019 Tax (expense) benefit	Net of tax
Defined benefit plan actuarial gains (losses)	-	-	-	(12)	(2)	(14)
Total	-	-	-	(12)	(2)	(14)

	Separate financial statements					
	Before tax <i>(Note 13)</i>	2020 Tax (expense) benefit	Net of tax <i>(in thousand Baht)</i>	Before tax <i>(Note 13)</i>	2019 Tax (expense) benefit	Net of tax
Defined benefit plan actuarial gains (losses)	-	-	-	(376)	(60)	(436)
Total	-	-	-	(376)	(60)	(436)

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Reconciliation of effective tax rate

The tax on the Group's profit before taxes differs from the theoretical amount that would arise using the weighted average effective tax rate to profits of the consolidated entities as follows:

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Loss before income tax – accounting	<u>(107,108)</u>	<u>(23,641)</u>	<u>(3,357,062)</u>	<u>(731,675)</u>
Tax at the domestic rate of 20%	(21,422)	(4,728)	(671,412)	(146,335)
Adjustments:				
Effect of difference tax rate in foreign jurisdictions	(20,875)	1,510	(653,254)	46,882
Income not subject to tax and additional taxable expenses	(2,570)	(649)	(80,425)	(20,150)
Expenses not deductible for tax purposes	42,824	4,401	1,340,630	136,381
Utilisation of previously unrecognised tax losses	(87)	-	(2,723)	-
Tax losses and temporary differences for which no deferred income tax were recognised	4,624	1,871	144,702	58,090
Adjustments in respect of prior year	14	9	438	275
Remeasurement of (gain) loss on exchange rate of US Dollar financial statement	63	(1,527)	1,971	(47,410)
Remeasurement of gain on exchange rate of Thai Baht financial statement	<u>(85)</u>	<u>(312)</u>	<u>(2,660)</u>	<u>(9,687)</u>
Total income tax expense	<u>2,486</u>	<u>575</u>	<u>77,267</u>	<u>18,046</u>
The average effective tax rate	2%	2%	2%	2%

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	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Profit (loss) before income tax – accounting	<u>(202,871)</u>	<u>9,978</u>	<u>(6,277,074)</u>	<u>315,154</u>
Tax at the domestic rate of 20%	(40,574)	1,996	(1,255,415)	63,031
Adjustments:				
Expenses not deductible for tax purposes	40,136	522	1,241,712	15,170
Tax losses for which no deferred income tax assets were recognised	590	783	18,463	24,310
Remeasurement of gain on exchange rate of US Dollar financial statement	(34)	(2,935)	(1,064)	(91,125)
Remeasurement of gain on exchange rate of Thai Baht financial statement	<u>(124)</u>	<u>(395)</u>	<u>(3,880)</u>	<u>(12,264)</u>
Total income tax expense (benefit)	<u>(6)</u>	<u>(29)</u>	<u>(184)</u>	<u>(878)</u>
The average effective tax rate	0%	0%	0%	0%

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

Deferred tax assets as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2020	2019	2020	2019
Total	54	2,139	-	-
Net deferred tax assets	<u>54</u>	<u>2,139</u>	<u>-</u>	<u>-</u>

	Consolidated financial statements			
	Assets		Liabilities	
	2020	2019	2020	2019
Total	1,622	64,499	-	-
Net deferred tax assets	<u>1,622</u>	<u>64,499</u>	<u>-</u>	<u>-</u>

	Separate financial statements			
	Assets		Liabilities	
	2020	2019	2020	2019
Total	54	48	-	-
Net deferred tax assets	<u>54</u>	<u>48</u>	<u>-</u>	<u>-</u>

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	Separate financial statements			
	Assets		Liabilities	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Total	1,622	1,447	-	-
Net deferred tax assets	1,622	1,447	-	-

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

	Consolidated financial statements			
	(Charged) / Credited to :			
	At 1 January 2020	Profit or loss	Other comprehensive income	At 31 December 2020
	<i>(in thousand US Dollar)</i>			
<i>Deferred tax assets</i>				
Property, plant and equipment	153	(153)	-	-
Provisions	345	(345)	-	-
Retirement benefits obligation	147	(90)	(3)	54
Loss carry forward	1,494	(1,494)	-	-
Total	2,139	(2,082)	(3)	54

	Consolidated financial statements				
	(Charged) / Credited to :				
	At 1 January 2020	Profit or loss	Other comprehensive income	Translation adjustments	At 31 December 2020
	<i>(in thousand Baht)</i>				
<i>Deferred tax assets</i>					
Property, plant and equipment	4,614	(4,684)	-	70	-
Provisions	10,403	(10,562)	-	159	-
Retirement benefits obligation	4,433	(2,755)	(92)	36	1,622
Loss carry forward	45,049	(46,802)	-	1,753	-
Total	64,499	(64,803)	(92)	2,018	1,622

	Consolidated financial statements				
	(Charged) / Credited to :				
	At 1 January 2019	Profit or loss	Other comprehensive income	Disposal from deconsolidation of a subsidiary	At 31 December 2019
	<i>(in thousand US Dollar)</i>				
<i>Deferred tax assets</i>					
Property, plant and equipment	173	-	-	(20)	153
Provisions	345	-	-	-	345
Retirement benefits obligation	269	61	24	(207)	147
Loss carry forward	1,494	-	-	-	1,494
Total	2,281	61	24	(227)	2,139

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	Consolidated financial statements (Charged) / Credited to :					At 31 December 2019
	At 1 January 2019	Profit or loss	Other comprehensive income <i>(in thousand Baht)</i>	Disposal from deconsolidation of a subsidiary	Translation adjustments	
<i>Deferred tax assets</i>						
Property, plant and equipment	5,614	-	-	(606)	(394)	4,614
Provisions	11,195	-	-	-	(792)	10,403
Retirement benefits obligation	8,729	1,847	718	(6,267)	(594)	4,433
Loss carry forward	48,480	-	-	-	(3,431)	45,049
Total	74,018	1,847	718	(6,873)	(5,211)	64,499

	Separate financial statements (Charged) / Credited to :			
	At 1 January 2020	Profit or loss <i>(in thousand US Dollar)</i>	Other comprehensive income	At 31 December 2020
<i>Deferred tax assets</i>				
Retirement benefits obligation	48	6	-	54
Total	48	6	-	54

	Separate financial statements (Charged) / Credited to :				
	At 1 January 2020	Profit or loss	Other comprehensive income	Translation adjustments	At 31 December 2020
<i>Deferred tax assets</i>					
Retirement benefits obligation	1,447	184	-	(9)	1,622
Total	1,447	184	-	(9)	1,622

	Separate financial statements (Charged) / Credited to :			
	At 1 January 2019	Profit or loss <i>(in thousand US Dollar)</i>	Other comprehensive income	At 31 December 2019
<i>Deferred tax assets</i>				
Retirement benefits obligation	21	29	(2)	48
Total	21	29	(2)	48

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	Separate financial statements (Charged) / Credited to :				At 31 December 2019
	At 1 January 2019	Profit or loss	Other comprehensive income <i>(in thousand Baht)</i>	Translation adjustments	
<i>Deferred tax assets</i>					
Retirement benefits obligation	681	878	(60)	(52)	1,447
Total	681	878	(60)	(52)	1,447

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

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Tax losses	21,815	16,155	682,670	489,141
Impairment losses on property, plant and equipment and related supplies and spare parts	7,840	10,051	245,342	304,324
Allowance for expected credit loss	6,293	3,179	196,931	96,254
Impairment losses on goodwill	2,027	1,614	63,432	48,869
Retirement benefits obligation	347	-	10,859	-
Total	38,322	30,999	1,199,234	938,588

	Separate financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
Impairment losses on investments in subsidiaries	22,439	2,120	702,197	64,189
Allowance for expected credit loss	12,914	11,585	404,126	350,771
Tax losses	3,021	2,406	94,538	72,849
Total	38,374	16,111	1,200,861	487,809

The majority tax losses will expire from 2021-2025. 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.

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21 Earnings (losses) per share

Basic earnings (losses) per share

The calculations of basic earnings (losses) per share for the year ended 31 December 2020 and 2019 were based on the profit for the year attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the year as follows:

	Consolidated financial statements			
	2020 <i>(in thousand US Dollar/ thousand shares)</i>	2019 <i>(in thousand US Dollar/ thousand shares)</i>	2020 <i>(in thousand Baht/ thousand shares)</i>	2019 <i>(in thousand Baht/ thousand shares)</i>
Loss attributable to ordinary shareholders of the Company (basic)	<u>(109,654)</u>	<u>(24,258)</u>	<u>(3,436,176)</u>	<u>(751,000)</u>
Number of ordinary shares outstanding (basic)	<u>1,413,329</u>	<u>1,413,329</u>	<u>1,413,329</u>	<u>1,413,329</u>
Losses per share (basic)	<u>(0.0776)</u>	<u>(0.0172)</u>	<u>(2.4313)</u>	<u>(0.5314)</u>
	<i>(in US dollar)</i>		<i>(in Baht)</i>	
	Separate financial statements			
	2020 <i>(in thousand US Dollar/ thousand shares)</i>	2019 <i>(in thousand US Dollar/ thousand shares)</i>	2020 <i>(in thousand Baht/ thousand shares)</i>	2019 <i>(in thousand Baht/ thousand shares)</i>
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(202,865)</u>	<u>10,007</u>	<u>(6,276,890)</u>	<u>316,032</u>
Number of ordinary shares outstanding (basic)	<u>1,413,329</u>	<u>1,413,329</u>	<u>1,413,329</u>	<u>1,413,329</u>
Earnings (losses) per share (basic)	<u>(0.1435)</u>	<u>0.0071</u>	<u>(4.4412)</u>	<u>0.2236</u>
	<i>(in US dollar)</i>		<i>(in Baht)</i>	

22 Financial instruments

(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. It 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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	Consolidated financial statements				Total	Fair value
	Carrying amount	Level 1	Level 2	Level 3		
	Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	<i>(in thousand US Dollar)</i>			Total
At 31 December 2020						
Financial assets						
Equity securities held for trading	9,714	-	-	9,714	-	9,714
Total other financial assets	9,714	-	-	9,714	-	9,714
Financial liabilities						
Long-term borrowings	-	57,413	-	60,744	-	60,744
Total Other financial liabilities	-	57,413	-	60,744	-	60,744
At 31 December 2019						
Financial assets						
Equity securities held for trading	8,207	-	-	8,207	-	8,207
Other debt securities held to maturity	-	4,000	-	4,000	-	4,011
Total other financial assets	8,207	4,000	-	12,207	-	4,011
Financial liabilities						
Long-term borrowings	-	55,799	-	57,826	-	57,826
Total Other financial liabilities	-	55,799	-	57,826	-	57,826

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	Consolidated financial statements				Fair value
	Carrying amount	Fair value			
	Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	(in thousand Baht)		
	Total	Level 1	Level 2	Level 3	Total
At 31 December 2020					
Financial assets					
Equity securities held for trading	291,780	-	291,780	-	291,780
Total other financial assets	291,780	-	291,780	-	291,780
Financial liabilities					
Long-term borrowings	-	1,724,520	1,824,574	-	1,824,574
Total Other financial liabilities	-	1,724,520	1,824,574	-	1,824,574
At 31 December 2019					
Financial assets					
Equity securities held for trading	247,474	-	247,474	-	247,474
Other debt securities held to maturity	-	120,616	120,948	-	120,948
Total other financial assets	247,474	120,616	368,090	-	120,948
Financial liabilities					
Long-term borrowings	-	1,682,563	1,743,806	-	1,743,806
Total Other financial liabilities	-	1,682,563	1,743,806	-	1,743,806

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Financial instruments measured at fair value

Type	Technique
Investments in marketable unit trusts classified as financial assets measured at FVTPL	The net asset value as of the reporting date.

Financial instruments not measured at fair value

Type	Valuation technique
Debt securities and other financial liabilities	Discounted cash flows.

(b) *Movement of marketable equity and debt securities*

	Consolidated financial statements			
	2020 (in thousand US Dollar)	2019 (in thousand US Dollar)	2020 (in thousand Baht)	2019 (in thousand Baht)
Equity securities held for trading				
At 1 January	8,207	6,236	247,474	202,357
Purchase	2,000	1,000	60,074	30,154
Disposal	(2,000)	(3,500)	(60,074)	(105,539)
Transfer	1,000	4,500	30,037	135,693
Fair value adjustment	507	(29)	16,401	(1,561)
Translation Adjustment	-	-	(2,132)	(13,630)
At 31 December	9,714	8,207	291,780	247,474

	Consolidated financial statements			
	2020 (in thousand US Dollar)	2019 (in thousand US Dollar)	2020 (in thousand Baht)	2019 (in thousand Baht)
Other debt securities held to maturity				
At 1 January	4,000	11,800	120,616	382,908
Purchase	-	1,000	-	30,154
Disposal	(3,000)	(4,300)	(90,111)	(129,662)
Transfer	(1,000)	(4,500)	(30,037)	(135,693)
Fair value adjustment	-	-	-	-
Translation adjustment	-	-	(468)	(27,091)
At 31 December	-	4,000	-	120,616

(c) *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.

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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.

(c.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.

(c.1.1) Trade accounts receivables and contract assets

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 standard payment and delivery terms and conditions are offered.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of three months.

The following table provides information about the exposure to credit risk and ECLs for trade accounts receivables and contract assets.

	Trade accounts receivables	Consolidated financial statements			Allowance for expected credit loss
		Contract assets	Retention Receivables	Total carrying amounts	
At 31 December 2020					
Within credit terms	13,903	1,596	7,028	22,527	-
Overdue:					
Less than 3 months	5,818	-	-	5,818	(19)
3-6 months	984	-	-	984	(101)
6-12 months	1,020	-	-	1,020	(75)
Over 12 months	3,149	-	-	3,149	(3,149)
Total	24,874	1,596	7,028	33,498	(3,344)
Less allowance for expected credit loss	(3,344)	-	-	(3,344)	
Net	21,530	1,596	7,028	30,154	

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	Consolidated financial statements				Allowance
	Trade	Contract	Retention	Total	for expected
<i>At 31 December 2020</i>	accounts	assets	Receivables	carrying	credit loss
	receivables			amounts	
			<i>(in thousand Baht)</i>		
Within credit terms	417,605	47,939	211,101	676,645	-
Overdue:					
Less than 3 months	174,756	-	-	174,756	(571)
3-6 months	29,557	-	-	29,557	(3,034)
6-12 months	30,638	-	-	30,638	(2,252)
Over 12 months	94,587	-	-	94,587	(94,587)
Total	747,143	47,939	211,101	1,005,885	(100,444)
Less allowance for expected credit loss	(100,444)	-	-	(100,444)	
Net	646,699	47,939	211,101	905,739	

	Consolidated financial statements				Allowance
	Trade	Contract	Retention	Total	for expected
<i>At 31 December 2019</i>	accounts	assets	Receivables	carrying	credit loss
	receivables			amounts	
			<i>(in thousand US Dollar)</i>		
Within credit terms	9,432	5,849	7,479	22,760	-
Overdue:					
Less than 3 months	11,318	-	-	11,318	(126)
3-6 months	4,604	-	-	4,604	(325)
6-12 months	69	-	-	69	(69)
Over 12 months	7,706	-	-	7,706	(3,700)
Total	33,129	5,849	7,479	46,457	(4,220)
Less allowance for expected credit loss	(4,220)	-	-	(4,220)	
Net	28,909	5,849	7,479	42,237	

	Consolidated financial statements				Allowance
	Trade	Contract	Retention	Total	for expected
<i>At 31 December 2019</i>	accounts	assets	Receivables	carrying	credit loss
	receivables			amounts	
			<i>(in thousand Baht)</i>		
Within credit terms	284,412	176,371	225,522	686,305	-
Overdue:					
Less than 3 months	341,283	-	-	341,283	(3,799)
3-6 months	138,829	-	-	138,829	(9,800)
6-12 months	2,081	-	-	2,081	(2,081)
Over 12 months	232,367	-	-	232,367	(111,570)
Total	998,972	176,371	225,522	1,400,865	(127,250)
Less allowance for expected credit loss	(127,250)	-	-	(127,250)	
Net	871,722	176,371	225,522	1,273,615	

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

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

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<i>Movement of allowance for expected credit loss of trade accounts receivables and contract assets</i>	Consolidated financial statements			
	2020 <i>(in thousand US Dollar)</i>	2019	2020 <i>(in thousand Baht)</i>	2019
At 1 January	4,220	2,818	127,250	91,444
Addition	272	1,484	8,404	48,121
Reversal	(343)	-	(10,678)	-
Write-off	(805)	(82)	(25,186)	(2,661)
Translation adjustment	-	-	654	(9,654)
At 31 December	3,344	4,220	100,444	127,250

- (c.1.2) Other accounts receivable, 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 other accounts receivable 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 other accounts receivable, 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.

	Consolidated financial statements			
	12-months ECL	Lifetime ECL-not credit- impaired	Lifetime ECL- credit- impaired	Total
<i>At 31 December 2020</i>				
Other accounts receivable	5,032	110	7,542	12,684
Short-term loans to related party	-	-	18,350	18,350
Long-term loans	-	-	498	498
	5,032	110	26,390	31,532
<i>Less allowance for expected credit loss</i>	-	-	(26,390)	(26,390)
Net	5,032	110	-	5,142

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For the year ended 31 December 2020

	Consolidated financial statements			
	12-months ECL	Lifetime ECL-not credit- impaired <i>(in thousand Dollar)</i>	Lifetime ECL- credit- impaired	Total
At 31 December 2019				
Other accounts receivable	3,646	12	7,543	11,201
Short-term loans	-	-	18,350	18,350
	3,646	12	25,893	29,551
Less allowance for expected credit loss	-	-	(18,379)	(18,379)
Net	3,646	12	7,514	11,172

	Consolidated financial statements			
	12-months ECL	Lifetime ECL-not credit- impaired <i>(in thousand Baht)</i>	Lifetime ECL- credit- impaired	Total
At 31 December 2020				
Other accounts receivable	151,147	3,305	226,540	380,992
Short-term loans	-	-	551,181	551,181
Long-term loans	-	-	14,958	14,958
	151,147	3,305	792,679	947,131
Less allowance for expected credit loss	-	-	(792,679)	(792,679)
Net	151,147	3,305	-	154,452

At 31 December 2019				
Other accounts receivable	109,941	362	227,451	337,754
Short-term loans	-	-	553,326	553,326
	109,941	362	780,777	891,080
Less allowance for expected credit loss	-	-	(554,200)	(554,200)
Net	109,941	362	226,577	336,880

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<i>Movement of allowance for expected credit loss</i>	Consolidated financial statements			
	Other account receivable	Short-term loans (in thousand Dollar)	Long-term loans	Total
<i>Lifetime ECL credit impaired</i>				
At 1 January 2019	-	-	-	-
Net remeasurement of loss allowance	5,400	12,979	-	18,379
At 31 December 2019 and at 1 January 2020	5,400	12,979	-	18,379
Net remeasurement of loss allowance	2,142	5,371	-	7,513
New financial assets acquired	-	-	498	498
At 31 December 2020	7,542	18,350	498	26,390

<i>Movement of allowance for expected credit loss</i>	Consolidated financial statements			
	Other account receivable	Short-term loans (in thousand Baht)	Long-term loans	Total
<i>Lifetime ECL credit impaired</i>				
At 1 January 2019	-	-	-	-
Net remeasurement of loss allowance	163,501	392,978	-	556,479
Translation adjustment	(670)	(1,609)	-	(2,279)
At 31 December 2019 and at 1 January 2020	162,831	391,369	-	554,200
Net remeasurement of loss allowance	67,102	168,256	-	235,358
New financial asset acquired	-	-	15,245	15,245
Translation adjustment	(3,393)	(8,444)	(287)	(12,124)
At 31 December 2020	226,540	551,181	14,958	792,679

	Separate financial statements			
	12-months ECL	Lifetime ECL-not credit-impaired (in thousand Dollar)	Lifetime ECL-credit-impaired	Total
<i>At 31 December 2020</i>				
Other accounts receivable	220	235	2,809	3,264
Short-term loans	-	-	7,127	7,127
Other non-current receivable	-	-	50,304	50,304
Long-term loan	-	-	60,391	60,391
	220	235	120,631	121,086
Less allowance for expected credit loss	-	-	(64,568)	(64,568)
Net	220	235	56,063	56,518

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	12-months ECL	Separate financial statements		Total
		Lifetime ECL-not credit- impaired <i>(in thousand Dollar)</i>	Lifetime ECL- credit- impaired	
At 31 December 2019				
Other accounts receivable	275	44	154,394	154,713
Short-term loans	-	-	75,658	75,658
	<u>275</u>	<u>44</u>	<u>230,052</u>	<u>230,371</u>
Less allowance for expected credit loss	-	-	(57,928)	(57,928)
Net	<u>275</u>	<u>44</u>	<u>172,124</u>	<u>172,443</u>

	12-months ECL	Separate financial statements		Total
		Lifetime ECL- not credit- impaired <i>(in thousand Baht)</i>	Lifetime ECL- credit- impaired	
At 31 December 2020				
Other accounts receivable	6,608	7,059	84,374	98,041
Short-term loans	-	-	214,074	214,074
Other non-current receivable	-	-	1,510,987	1,510,987
Long-term loan	-	-	1,813,970	1,813,970
	<u>6,608</u>	<u>7,059</u>	<u>3,623,405</u>	<u>3,637,072</u>
Less allowance for expected credit loss	-	-	(1,939,435)	(1,939,435)
Net	<u>6,608</u>	<u>7,059</u>	<u>1,683,970</u>	<u>1,697,637</u>

At 31 December 2019				
Other accounts receivable	8,292	1,327	4,655,596	4,665,215
Short-term loans	-	-	2,281,391	2,281,391
	<u>8,292</u>	<u>1,327</u>	<u>6,936,987</u>	<u>6,946,606</u>
Less allowance for expected credit loss	-	-	(1,746,761)	(1,746,761)
Net	<u>8,292</u>	<u>1,327</u>	<u>5,190,226</u>	<u>5,199,845</u>

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<i>Movement of allowance for expected credit loss</i>	Other account receivable	Separate financial statements			Total
		Short-term loans	Other non-current receivable	Long-term loans	
<i>(in thousand Dollar)</i>					
Lifetime ECL credit impaired					
At 1 January 2019	33,417	2,109	-	19,740	55,266
Net remeasurement of loss allowance	(1,202)	(298)	-	4,162	2,662
Reclassification	-	23,902	-	(23,902)	-
At 31 December 2019 and at 1 January 2020	32,215	25,713	-	-	57,928
Net remeasurement of loss allowance	1,127	5,315	-	-	6,442
Unrealised losses on exchange	6,379	93	-	-	6,472
Reclassification	(30,638)	(23,994)	30,638	23,994	-
Write off	(6,274)	-	-	-	(6,274)
At 31 December 2020	2,809	7,127	30,638	23,994	64,568

<i>Movement of allowance for expected credit loss</i>	Other account receivable	Separate financial statements			Total
		Short-term loans	Other non-current receivable	Long-term loans	
<i>(in thousand Baht)</i>					
Lifetime ECL credit impaired					
At 1 January 2019	1,084,375	68,437	-	640,559	1,793,371
Net remeasurement of loss allowance	(36,394)	(13,604)	-	83,146	33,148
Reclassification	-	723,705	-	(723,705)	-
Translation adjustment	(76,570)	(3,188)	-	-	(79,758)
At 31 December 2019 and at 1 January 2020	971,411	775,350	-	-	1,746,761
Net remeasurement of loss allowance	34,502	162,717	-	-	197,219
Unrealised losses on exchange	191,607	2,793	-	-	194,400
Reclassification	(920,277)	(720,710)	920,277	720,710	-
Write off	(196,544)	-	-	-	(196,544)
Translation adjustment	3,675	(6,076)	-	-	(2,401)
At 31 December 2020	84,374	214,074	920,277	720,710	1,939,435

(c.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.

(c.1.4) Guarantees

The Group's policy is to provide financial guarantees only for subsidiaries' liabilities. At 31 December 2020, the Group has issued a guarantee to certain banks in respect of credit facilities granted to a subsidiary.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

(c.3) Market risk

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

(c.3.1) Foreign currency risk

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

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand US Dollar)</i>			
Thai Baht				
Cash and cash equivalents	457	1,680	90	796
Trade accounts receivable	1	291	-	-
Receivables from related parties	-	-	34	117,991
Long-term loans to related parties	-	-	36,397	36,256
Trade accounts payable	(266)	(1,273)	-	-
Other accounts payable	(610)	(909)	(438)	(699)
Gross balance sheet exposure	<u>(418)</u>	<u>(211)</u>	<u>36,083</u>	<u>154,344</u>
Singapore Dollar				
Cash and cash equivalents	102	75	-	-
Trade accounts payable	(26)	(37)	-	-
Other accounts payable	(59)	(140)	-	-
Gross balance sheet exposure	<u>17</u>	<u>(102)</u>	<u>-</u>	<u>-</u>
Qatari Rial				
Cash and cash equivalents	275	405	-	-
Restricted cash equivalent	-	1,070	-	-
Trade accounts payable	(37)	(675)	-	-
Other accounts payable	(59)	(217)	-	-
Gross balance sheet exposure	<u>179</u>	<u>583</u>	<u>-</u>	<u>-</u>

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Thai Baht, Singapore Dollar and Qatari Rial against all other currencies at 31 December 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Mermaid Maritime Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

Consolidated financial statements					
<i>At 31 December 2020</i>	Movement	Profit or loss		Profit or loss	
		Strengthening	Weakening	Strengthening	Weakening
	(<i>%</i>)	(<i>in thousand US Dollar</i>)		(<i>in thousand Baht</i>)	
Thai Baht	10	(46)	38	(1,394)	1,140
Singapore Dollar	10	2	(2)	56	(46)
Qatari Rial	10	20	(16)	596	(487)

Separate financial statements					
<i>At 31 December 2020</i>	Movement	Profit or loss		Profit or loss	
		Strengthening	Weakening	Strengthening	Weakening
	(<i>%</i>)	(<i>in thousand US Dollar</i>)		(<i>in thousand Baht</i>)	
Thai Baht	10	4,009	(3,280)	120,422	(98,527)

(c.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 are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see note 12). The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates.

23 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 monitors the return on capital.

24 Guarantees

As at 31 December 2020 and 2019, the Group and the Company had outstanding guarantees as follows:

	Consolidated financial statements							
	2020				2019			
	thousand Baht	thousand USD	thousand SAR	thousand QAR	thousand Baht	thousand USD	thousand SAR	thousand QAR
Letters of guarantee issued by financial institutions in the normal course of business	400	15,683	4,350	-	15,600	4,434	4,350	3,878
Guarantee for long-term borrowings of subsidiary to financial institution	-	57,600	-	-	-	56,000	-	-

Mermaid Maritime Public Company Limited and its Subsidiaries

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	Separate financial statements			
	2020		2019	
	thousand Baht	thousand USD	thousand Baht	thousand USD
Letters of guarantee issued by financial institutions in the normal course of business	400	-	400	-
Guarantee for long-term loans of subsidiaries to financial institutions	-	57,600	-	56,000

25 Other events

The Group, through its other indirect subsidiary Seascope Surveys Pte. Ltd. (“SSS”), is a party to or involved in a legal proceedings 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 Seascope Surveys alleging that Ms. Margaretta Retno Sundari and other co-defendants had engaged in unlawful acts related to the transfer of ownership of 368 (46%) shares in PTSSI. As a first step in the lawsuit, the court had directed the parties to attempt mediation and to consider mediation proposals.

26 Commitments with non-related parties

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

	Consolidated financial statements			
	2020	2019	2020	2019
	(in thousand US Dollar)		(in thousand Baht)	
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	153	268	4,596	8,081
Total	153	268	4,596	8,081

27 Events after the reporting period

Increase in share capital of a joint venture

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. The shares were 43.88% paid up by the existing shareholders in proportion to their shareholdings. The increase in share capital of ZeaQuest were registered on 11 January 2021 with Department of Business Development. Subsequently, on 25 February 2021, ZeaQuest additionally called for the remaining share subscriptions at Baht 56.12 per share, totalling Baht 43.49 million.

Mermaid Maritime Public Company Limited and its Subsidiaries

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Reduction of share capital

At the Board of Directors Meeting held on 25 February 2021, the directors approved to decrease the Company's authorised share capital that have remained unissued or unallocated under the employee share option plans and other purposes previously approved by the Company, all of which have expired, of 3,371,840 shares at par value of Baht 1.0 each. The existing authorised share capital of Baht 1,416,700,697, divided into 1,416,700,697 shares, will be decreased to Baht 1,413,328,857, divided into 1,413,328,857 shares. The reduction of share capital is subject to shareholders' approval.

Increase of share capital to existing shareholders in proportion to their shareholding percentage and issue of warrants

At the Board of Directors Meeting held on 25 February 2021, the directors approved to propose a non-renounceable non-underwritten rights issue combined warrants exercisable into shares and private placement. New ordinary shares will be offered on the basis of one (1) new ordinary share ("New Share") for every twenty (20) existing ordinary shares with a par value of Baht one (1) each in the capital of the Company. Each New Share shall attach twenty (20) free detachable warrants, each warrant exercisable into one (1) ordinary share with a par value of Baht one (1) each. Following the rights issue and allotment of excess New Shares, any remaining unsubscribed excess New Shares together with their attached warrants shall be placed by way of a private placement. The proposed price of each New Share shall be SGD 0.08. The proposed exercise price of each warrant shall be SGD 0.08. The private placement price per share shall be at a price no lower than the New Share price. Based on the existing share capital, in the event that all New Shares are subscribed, the Company will allot and issue 70,666,443 new ordinary shares and 1,413,328,857 warrants exercisable into shares. The increase of share capital to existing shareholders in proportion to their shareholding percentage and issue of warrants exercisable into shares and private placement are subject to shareholders' approval.

Additional Information on Directors Seeking Re-Election

The following Directors shall be seeking re-election at the next Annual General Meeting of Shareholders No. 01/2021 of the Company: Mr. Prasert Bunsumpun, Mr. Jean Paul Thevenin and Dr. Jan Jozef Skorupa.

In compliance with Rule 720(6) and Appendix 7.4.1 of the SGX-ST Listing Manual, the following information of these Directors seeking re-election are as follows:

(a) Mr. Prasert Bunsumpun

Date of appointment	19 June 2012
Date of last re-appointment (if applicable)	23 April 2019
Age	68
Country of principal residence	Thailand
The Board's comments on this appointment on this re-election/appointment	After reviewing the recommendation of the Nomination Committee and Mr. Bunsumpun's qualifications and experience (as set out below), the Board has approved that he stands for re-election as Non-Executive Chairman. Mr. Bunsumpun will, upon re-election, continue to serve as a Chairman of the Executive Committee.
Whether the appointment is executive, and if so, the area of responsibility	Non-executive
Job Title	Chairman of the Board of Directors Chairman of the Executive Committee
Professional qualifications	M.B.A., Utah State University, USA, 1978 B.Eng. in Civil Engineering, Chulalongkorn University, 1975
Working experience and occupation(s) during the past 10 years	<u>2014-2019</u> Member of the National Legislative Assembly, Thailand <u>2014-2019</u> First Vice-President of the Committee on Energy, the National Legislative Assembly, Thailand
Shareholding interest in the listed issuer and its subsidiaries	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries)	None
Conflict of interest (including any competing business)	None
Undertaking (in the format set out in Appendix 7.7 under Rule 720(1) has been submitted to the listed issuer	Yes

Other principal commitments (as defined in the Code) including directorships for the past 5 years	<u>Other Principal Commitments:</u> None <u>Other Directorships:</u> Nok Airlines Pcl. PTT Plc. PTT Global Chemical Plc.
Other principal commitments (as defined in the Code) including directorships at present	<u>Other Principal Commitments:</u> None <u>Other Directorships:</u> Major Cineplex Group Plc. AIRA Capital Plc. T.K.S. Technologies Pcl. SVI Plc. Thaicom Plc. Thoresen Thai Agencies Plc. Intouch Holdings Plc. Yuanta Securities (Thailand) Co. Ltd. AIRA Property Plc. Thailand Business Council for Sustainable Development

(b) Mr. Jean Paul Thevenin

Date of appointment	28 January 2013
Date of last re-appointment (if applicable)	23 Apr 2019
Age	80
Country of principal residence	Thailand
The Board's comments on this appointment on this re-election/appointment	<p>After reviewing the recommendation of the Nomination Committee and Mr. Thevenin's qualifications and experience (as set out below), the Board has approved that he stands for re-election as a Non-Executive and Non-Independent Director.</p> <p>Mr. Thevenin will, upon re-election, continue to serve as Chairman of the Risk Management Committee and a member of the Executive Committee and Audit Committee and the Nomination Committee and the Remuneration Committee.</p>
Whether the appointment is executive, and if so, the area of responsibility	Non-executive
Job Title	Chairman of the Risk Management Committee Member of the Executive Committee Member of the Audit Committee Member of the Nomination Committee Member of the Remuneration Committee
Professional qualifications	Ph.D. in Metallurgy, Orsay University, France Honorary Ph.D., King Mongkut Institute of Technology, Thailand
Working experience and occupation(s) during the past 10 years	None

Shareholding interest in the listed issuer and its subsidiaries	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries)	None
Conflict of interest (including any competing business)	None
Undertaking (in the format set out in Appendix 7.7 under Rule 720(1) has been submitted to the listed issuer	Yes
Other principal commitments (as defined in the Code) including directorships for the past 5 years	<u>Other Principal Commitments:</u> None <u>Other Directorships:</u> PMT Property Co., Ltd.
Other principal commitments (as defined in the Code) including directorships at present	<u>Other Principal Commitments:</u> None <u>Other Directorships:</u> PM Thoresen Asia Holdings Plc. Thoresen Thai Agencies Plc. Asia Infrastructure Management (Thailand) Co., Ltd. PTGC Co., Ltd. PT Mermaid Subsea Services Indonesia Mermaid Subsea Services Saudi Arabia Co., Ltd. Petrolift Inc. TTA Mariner Co., Ltd. Thoresen & Company (Bangkok) Limited Mermaid Subsea Services (International) Ltd. Thoresen Shipping Singapore Pte. Ltd. Mermaid Offshore Services Pte. Ltd. Mermaid Subsea Services (Thailand) Ltd. Mermaid Drilling Ltd. MTR-1 Ltd. MTR-2 Ltd.

(c) Dr. Jan Jozef Skorupa

Date of appointment	21 October 2013
Date of last re-appointment (if applicable)	23 April 2019
Age	73
Country of principal residence	Thailand
The Board's comments on this appointment on this re-election/appointment	After reviewing the recommendation of the Nomination Committee and Mr. Skorupa's qualifications and experience (as set out below), the Board has approved that he stands for re-election as a Non-Executive and Independent Director.

	Mr. Skorupa will, upon re-election, continue to serve as a chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee.
Whether the appointment is executive, and if so, the area of responsibility	Non-executive
Job Title	Non-Executive and Independent Director Chairman of the Nomination Committee Member of the Audit Committee Member of the Remuneration Committee
Professional qualifications	Ph.D., University of Cape Town in South Africa Master Degree in Mining Engineering, Polytechnic University of Silesia in Poland
Working experience and occupation(s) during the past 10 years	<u>2009-Present</u> Managing Director, Clesol Co. Ltd.
Shareholding interest in the listed issuer and its subsidiaries	0.0057% direct and 0.00% deemed shareholding interest
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries)	None
Conflict of interest (including any competing business)	None
Undertaking (in the format set out in Appendix 7.7 under Rule 720(1) has been submitted to the listed issuer	Yes
Other principal commitments (as defined in the Code) including directorships for the past 5 years	<u>Other Principal Commitments:</u> None <u>Other Directorships:</u> None
Other principal commitments (as defined in the Code) including directorships at present	<u>Other Principal Commitments:</u> None <u>Other Directorships:</u> None

In the additional disclosure table below, each Director is referred to by his initials as follows: Mr. Prasert Bunsumpun ("PB"), Mr. Jean Paul Thevenin ("JPT") and Mr. Jan Jozef Skorupa ("JJS"):

	PB	JPT	JJS
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity	No	No	No

	PB	JPT	JJS
or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?			
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

	PB	JPT	JJS
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No