

MICLYN EXPRESS OFFSHORE LIMITED
(Registration number 42388)

REPORT AND FINANCIAL STATEMENTS

HALF YEAR ENDED 31 DECEMBER 2015

MICLYN EXPRESS OFFSHORE LIMITED

REPORT AND FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The directors of Miclyn Express Offshore Limited (the "Company") submit herewith the Directors' Report for the half-year ended 31 December 2015.

DIRECTORS

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

- Marcus Thompson – Co-Chairman, Non-Executive Director (appointed on 27 October 2015)
- Graham Brooke – Co-Chairman, Non -Executive Director (appointed on 18 February 2016)
- Nathaniel Childres – Co-Chairman, Non -Executive Director (resigned on 22 February 2016)
- Paul Kang – Co-Chairman, Non-Executive Director (resigned on 27 October 2015)
- Venkatraman Sheshashayee – Chief Executive Officer, Executive Director
- Diederik Christiaan de Boer – Non-Executive Director (appointed on 1 October 2015)
- Shane Gong – Non-Executive Director
- Jessica Lau – Non-Executive Director
- Dr Chew Kia Ngee – Independent Director
- Richard Lorentz – Independent Director

Signed in accordance with a resolution of the Directors.


.....
Dr Chew Kia Ngee
.....

Venkatraman Sheshashayee
22 February 2016

MICLYN EXPRESS OFFSHORE LIMITED

STATEMENT OF DIRECTORS

The Board of Directors hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the unaudited condensed consolidated financial statements of the Group for the half-year period ended 31 December 2015 to be false or misleading, and at the date of this statement, there are reasonable grounds to believe that the Group will be able to pay its debts when they fall due.

ON BEHALF OF THE BOARD OF DIRECTORS



Dr Chew Kia Ngee



Venkatraman Sheshashayee
22 February 2016

INDEPENDENT AUDITORS' REVIEW REPORT

TO THE MEMBER OF MICLYN EXPRESS OFFSHORE LIMITED

Introduction

We have reviewed the accompanying half-year condensed consolidated financial statements of Miclyn Express Offshore Limited and its subsidiaries (the "Group"), which comprise the condensed consolidated statement of financial position of the Group as at 31 December 2015, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows of the Group for the half-year then ended and selected explanatory information, as set out on pages 4 to 20.

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-year condensed consolidated financial statements does not present fairly, in all material respects, the financial position of the Group as at 31 December 2015, and its financial performance and its cash flows for the half-year then ended in accordance with IAS 34.



Public Accountants and
Chartered Accountants
Singapore

22 February 2016

**Financial report
for the half-year ended 31 December 2015**

Condensed consolidated statement of comprehensive income

	Note	Half-year ended 31 December 2015 US\$'000	(Restated) Half-year ended 31 December 2014 US\$'000
Revenue		120,470	142,893
Cost of sales		(89,512)	(105,720)
Gross profit		30,958	37,173
Other gains and losses		338	2,272
Administration expenses	2	(14,151)	(12,412)
Finance costs	3	(28,320)	(12,871)
Other expenses	4	(5,100)	-
Share of profit from joint ventures	5	4,988	4,312
(Loss)/ Profit before tax	6	(11,287)	18,474
Income tax expense		(1,896)	(1,701)
NET (LOSS)/ PROFIT FOR THE HALF-YEAR		(13,183)	16,773
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		(2,743)	(6,273)
Cash flow hedges		863	(380)
Other comprehensive loss for the half-year, net of tax		(1,880)	(6,653)
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE HALF-YEAR		(15,063)	10,120
Net (loss)/ profit attributable to:			
Owners of the Company		(13,538)	17,715
Non-controlling interests		355	(942)
		(13,183)	16,773
Total comprehensive (loss)/ income attributable to:			
Owners of the Company		(15,418)	11,062
Non-controlling interests		355	(942)
		(15,063)	10,120

**Financial report
for the half-year ended 31 December 2015**

Condensed consolidated statement of financial position

	Note	31 December 2015 US\$'000	30 June 2015 US\$'000
Assets			
<i>Current assets</i>			
Cash and cash equivalents		40,980	16,237
Trade and other receivables	7	80,661	102,760
Loan to immediate holding company	8	139,165	139,165
Inventories		7,236	8,540
Vessel held for sale	9	-	1,500
Total current assets		268,042	268,202
<i>Non-current assets</i>			
Investment in joint ventures	5	71,585	66,604
Property, plant and equipment	10	600,930	621,332
Intangible assets	11	33,113	33,183
Other non current assets		6,980	6,024
Total non-current assets		712,608	727,143
Total assets		980,650	995,345
Liabilities			
<i>Current liabilities</i>			
Trade and other payables		70,676	77,696
Borrowings	13	31,923	37,189
Provisions		289	289
Current tax liabilities		2,787	2,315
Total current liabilities		105,675	117,489
<i>Non-current liabilities</i>			
Borrowings	13	337,520	318,361
Provisions		37	161
Senior secured guaranteed bonds	14	145,505	142,740
Derivative financial instruments	12	-	10,593
Deferred tax liabilities		1,649	1,188
Total non-current liabilities		484,711	473,043
Total liabilities		590,386	590,532
Net assets		390,264	404,813
Equity			
<i>Capital and reserves</i>			
Share capital		-*	-*
Reserves		127,119	127,964
Retained earnings		261,424	274,962
Equity attributable to owners of the Company		388,543	402,926
Non-controlling interests		1,721	1,887
Total equity		390,264	404,813

* Amount is less than US\$1,000

**Financial report
for the half-year ended 31 December 2015**

Condensed consolidated statement of changes in equity

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

⁽¹⁾ During the financial period, the Group made payment to the non-controlling shareholders of its pipe transportation subsidiary, Express Offshore Solutions Pte Ltd ("EOS") for the purchase of the remaining 30% shareholding in the company.

* Amount is less than US\$1,000

**Financial report
for the half-year ended 31 December 2015**

Condensed consolidated statement of changes in equity (continued)

	Share capital US\$'000	Other equity reserves US\$'000	Translation reserve US\$'000	Hedging reserve US\$'000	Share-based payments reserve US\$'000	Retained earnings US\$'000	Attributable to owners of the Company US\$'000	Non-controlling interests US\$'000	Total US\$'000
Balance at 1 July 2015	-*	140,831	(13,153)	(863)	1,149	274,962	402,926	1,887	404,813
Loss for the period	-	-	-	-	-	(13,538)	(13,538)	355	(13,183)
Other comprehensive loss for the period, net of tax	-	-	(2,743)	863	-	-	(1,880)	-	(1,880)
Total comprehensive(loss)/ income for the period	-	-	(2,743)	863	-	(13,538)	(15,418)	355	(15,063)
Transaction with owners, recognised directly in equity									
Effect of acquiring part of non-controlling interest in a subsidiary ⁽²⁾	-	605	-	-	-	-	605	(521)	84
Recognition of share-based payment	-	-	-	-	430	-	430	-	430
Balance at 31 December 2015	-*	141,436	(15,896)	-	1,579	261,424	388,543	1,721	390,264

(2) During the financial period, the Group purchased the remaining 30% shareholding from the non-controlling shareholders of its vessel charter subsidiary, Miclyn Express Offshore (B) Sdn Bhd.

* Amount is less than US\$1,000

**Financial report
for the half-year ended 31 December 2015**

Condensed consolidated statement of cash flows

	Half-year ended 31 December 2015 US\$'000	Half-year ended 31 December 2014 US\$'000
Cash flows from operating activities		
(Loss)/ Profit for the half-year	(13,183)	16,773
Adjustments for:		
Income tax expense recognised in profit	1,896	1,701
Share of profit of joint ventures	(4,988)	(4,312)
Amortisation of provisions	(124)	(166)
Amortisation of intangible assets	70	157
Amortisation of drydocking expenditure	5,000	3,328
Depreciation of property, plant and equipment	14,632	11,712
Property, plant and equipment written off	(1)	-
Amortisation of vessels mob/demob expense	-	671
Allowance for doubtful debts	4,540	1,672
Impairment loss on vessels	5,100	-
Gain on disposal of property, plant and equipment (net)	(53)	(734)
Finance costs	28,256	12,780
Interest income	(114)	(45)
Expense recognised in respect of share-based payments	430	350
Unrealised currency translation (loss)/ gain	(1,342)	137
	<u>40,119</u>	<u>44,024</u>
Movements in working capital		
Decrease in trade and other receivables	15,069	3,262
Decrease in inventories	(523)	(1,874)
Decrease in trade and other payables	(2,004)	5,886
	<u>52,661</u>	<u>51,298</u>
Cash generated from operations		
	52,661	51,298
Income tax paid	(624)	(1,152)
Interest paid	(11,509)	(9,940)
	<u>40,528</u>	<u>40,206</u>
Net cash generated from operating activities		
	40,528	40,206
Cash flows from investing activities		
Interest received	114	45
Proceeds from disposal of property, plant and equipment	3,086	5,564
Payments for property, plant and equipment	(13,935)	(105,751)
Payment for intangible assets	-	(78)
Share issued by subsidiary to non-controlling interest	-	195
	<u>(10,735)</u>	<u>(100,025)</u>
Net cash used in investing activities		

**Financial report
for the half-year ended 31 December 2015**

Condensed consolidated statement of cash flows (continued)

	Half-year ended 31 December 2015 US\$'000	Half-year ended 31 December 2014 US\$'000
Cash flows from financing activities		
Acquisition of shares in subsidiary from non-controlling interest	(30)	(1,921)
Proceeds from issue of bond	150,000	-
Proceeds of borrowings	363,000	109,800
Upfront expenses due to bonds and borrowings	(8,269)	(524)
Net bond settlement	(158,153)	-
Repayment of borrowings	(351,299)	(44,505)
	(4,751)	62,850
Net cash (used in)/generated from financing activities		
Net increase in cash and cash equivalents	25,042	3,031
Cash and cash equivalents at the beginning of the half-year	16,237	19,259
Effects of exchange rate changes on the balance of cash held in foreign currencies	(299)	(761)
	40,980	21,529
Cash and cash equivalents at the end of the half-year	40,980	21,529

Notes to the Condensed Consolidated Financial Statements

1. Significant accounting policies

Statement of compliance

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

Adoption of new and revised accounting standards

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company’s 2015 annual financial report for the financial year ended 30 June 2015.

The new or revised International Financial Reporting Standards (“IFRS”) and Interpretations of International Financial Reporting Standards, which became mandatory as of 1 July 2015, do not result in substantial changes to the Group’s accounting policies.

Basis of preparation

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

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

2. Administration expenses

	Half-year ended 31 December 2015 US\$’000	(Restated) Half-year ended 31 December 2014 US\$’000
Staff and related costs	6,256	7,361
Allowance for doubtful debts	4,540	1,672
Professional fees	1,566	1,611
Office rental	748	831
Depreciation & amortisation	452	548
Other administrative expenses	589	389
	14,151	12,412

3. Finance costs

Finance costs included upfront fees written off amounting to US\$ 13,851,000 for half-year ended 31 December 2015.

4. Other expenses

During the half-year period ended 31 December 2015, the Group recognized US\$5,100,000 of impairment loss on vessels in other expenses (Note 10).

**Financial report
for the half-year ended 31 December 2015**

5. Joint ventures

	31 December 2015	30 June 2015
	US\$'000	US\$'000
Investment in joint ventures	38,784	38,784
Share of post-acquisition profit, net of dividend received	32,801	27,820
	71,585	66,604

The details of joint ventures are as follows:

Name of joint ventures and country of incorporation and operation	Principal activities	Effective equity interest held	
		31 December 2015	30 June 2015
		%	%
Uniwise Holdings Limited Thailand	Investment holding	37.5	37.5
Uniwise Offshore Limited Thailand	Offshore support vessel business	50.0	50.0
Alliance Offshore Services Pte Ltd Singapore	Owner and charterer of vessels and barges	50.0	50.0
Uniwise Marine Services Holdings Limited Thailand	Investment holding	37.5	37.5
Uniwise Towage Limited Thailand	Offshore support vessel business	50.0	50.0

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

	31 December 2015	30 June 2015
	US\$'000	US\$'000
Total assets	195,253	184,131
Total liabilities	(52,083)	(50,923)
Net assets	143,170	133,208
Group's share of joint ventures net assets	71,585	66,604

	31 December 2015	31 December 2014
	US\$'000	US\$'000
Revenue	24,699	23,934
Profit for the year	9,976	8,624
Group's share of joint ventures' profit	4,988	4,312

**Financial report
for the half-year ended 31 December 2015**

6. (Loss)/ Profit before tax

	Half-year ended 31 December 2015 US\$'000	Half-year ended 31 December 2014 US\$'000
(Loss)/ Profit before tax for the half-year includes:		
a) Revenue from operations		
Charter revenue	89,680	100,109
Mobilisation/demobilisation income	4,584	286
Ship management income	2,396	2,161
Radio and communication income	501	122
Moorings income	38	21
Project pipes transportation	23,230	39,255
Agency/ Brokerage revenue	41	-
Vessel customisation income	-	939
	120,470	142,893
b) Other gains and losses		
Gain on disposal of property, plant and equipment	53	734
Amortisation of provisions *	124	166
Interest income	114	45
Sundry income	22	149
Management income	35	25
Net (loss)/ gain on foreign exchange	(10)	1,153
	338	2,272
c) Depreciation and amortisation		
Depreciation of property, plant and equipment	14,632	11,712
Amortisation of drydocking expenditure	5,000	3,328
Amortisation of vessels mob/demob expense	-	671
	19,632	15,711
Amortisation of intangible assets	70	157
	19,702	15,868

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

**Financial report
for the half-year ended 31 December 2015**

7. Trade and other receivables

	31 December 2015 US\$'000	30 June 2015 US\$'000
Trade receivables	61,665	84,577
Allowance for doubtful debts	(4,558)	(2,985)
	57,107	81,592
Trade balances due from: Related parties (Note 17)	2,043	784
	59,150	82,376
Non-trade balances due from: Related parties (Note 17)	6,682	4,313
Advances	3,899	3,311
Deposits	1,743	1,611
Prepayments	3,706	4,659
Insurance claims	2,193	3,325
Other receivables	3,216	1,290
Tax recoverable	72	1,875
	80,661	102,760

8. Loan to immediate holding company

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

9. Vessel held for sale

On 30 June 2015, the Group entered into an agreement to sell a utility vessel to an external party for a consideration of US\$1,500,000. Accordingly, the vessel to be sold was classified as vessel held for sale and was classified as a current asset on the statement of financial position. As at 30 June 2015, the vessel had a carrying amount of US\$1,500,000. The vessel was subsequently disposed in the half-year ended 31 December 2015.

10. Property, plant and equipment

During the half-year period 31 December 2015, the Group acquired US\$13,935,000 of new additions to property, plant and equipment, including US\$7,547,000 of vessel additions. During the same period, the Group disposed of property, plant and equipment with carrying amount of US\$1,533,000 which comprised solely of vessels.

During the half-year period ended 31 December 2015, the Group recognized US\$5,100,000 of impairment loss on vessels in other expenses. The recoverable amount was based on fair value less cost to sell. The fair value less cost to sell is determined based on independent valuation report.

**Financial report
for the half-year ended 31 December 2015**

11. Intangible assets

	31 December 2015	30 June 2015
	US\$'000	US\$'000
<u>Composition:</u>		
Goodwill (Note (a))	32,837	32,837
Licences	276	346
	33,113	33,183

(a) Goodwill

	31 December 2015	30 June 2015
	US\$'000	US\$'000
<u>Cost and carrying amount:</u>		
Balance at beginning of financial period/year	32,837	59,992
Loss on impairment	-	(27,155)
Balance at end of the financial period/year	32,837	32,837

12. Derivative financial instruments

The group utilises currency derivatives to hedge significant future transactions and cash flows.

The fair value of the forward foreign exchange contracts that was designated and effective as a cash flow hedge amounted to negative US\$10,593,000 as at 30 June 2015 and was recognised in other comprehensive income. The fair value hierarchy for these financial instruments was Level 2. The hedge was fully settled as at 31 December 2015.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as estimated discounted cash flows, are also used to determine the fair values of the financial instruments. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

As at 31 December 2015, the Group did not have any outstanding forward foreign exchange contracts.

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

	Foreign Currency		Contract Value		Fair Value	
	31 December 2015	30 June 2015	31 December 2015	30 June 2015	31 December 2015	30 June 2015
	SGD\$'000	SGD\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Buy S\$	-	200,000	-	158,153	-	(10,593)

**Financial report
for the half-year ended 31 December 2015**

13. Borrowings

	31 December 2015 US\$'000	30 June 2015 US\$'000
Secured - at amortised cost		
<u>Current</u>		
Bank loans	31,915	37,181
Finance lease liabilities	8	8
	31,923	37,189
<u>Non Current</u>		
Bank loans	337,517	318,354
Finance lease liabilities	3	7
	337,520	318,361
Total	369,443	355,550

Terms of outstanding loans are as follows:

	Interest rate	Year of Maturity	31 December 2015 US\$'000	30 June 2015 US\$'000
Secured bank loans				
- USD syndicated term loan facility	LIBOR + 2.75%	2019	23,340	26,111
- USD syndicated revolving credit facility	LIBOR + 2.75%	2015	-	50,000
- USD syndicated revolving credit facility	LIBOR + 2.60%	2015	-	94,000
- USD syndicated revolving credit facility	LIBOR + 3.35%	2020	80,000	-
- USD syndicated term loan facility	LIBOR + 2.60%	2015	-	185,424
- USD syndicated term loan facility	LIBOR + 3.35%	2020	236,526	-
- USD syndicated term loan facility	LIBOR + 5.35%	2020	29,566	-
			369,432	355,535

14. Senior secured guaranteed bonds

On 25 November 2015, Miclyn Express Offshore Pte Ltd (“MEOPL”), a subsidiary of the Company, issued senior secured guaranteed bonds which will mature on 25 November 2018 for US\$ 150.0 million. The bonds bear interest at a fixed rate of 8.75% per annum and are payable semi-annually in arrears on 25 May and 25 November in each year. Payments on the bonds will be made without withholding or deduction for any taxes of Singapore unless required by law. The bonds are secured by 107 existing vessels flagged in Australia, Indonesia, Panama, Malaysia and Singapore. As at 31 December 2015, the effective interest rate was 9.81% per annum. The fair value of the 8.75% senior secured guaranteed bonds at 31 December 2015 amounted to US\$147 million. The fair value of these financial liabilities was based on the quoted closing market prices on the last market day of the financial period. The fair value hierarchy for these financial instruments is Level 1.

On 12 December 2013, MEOL issued senior secured guaranteed bonds for SGD200.0 million. The bonds bore interest at a fixed rate of 8.50% per annum and were payable semi-annually in arrears on 12 June and 12 December in each year. Payments on the bonds were to be made without withholding or deduction for any taxes of Bermuda. The bonds were secured by 96 existing vessels flagged in Australia, Indonesia, Panama, Malaysia and Singapore. As at 30 June 2015, the effective interest rate was 11.44% per annum. The fair value of the 8.50% senior secured guaranteed bonds at 30 June 2015 amounted to US\$150 million. The fair value of these financial liabilities was based on the quoted closing market prices on the last market day of the financial year. The fair value hierarchy for these financial instruments was Level 1. The bonds were fully redeemed and settled as at 31 December 2015.

15. Commitments

The Group had the following outstanding commitments:

	31 December 2015	30 June 2015
	US\$'000	US\$'000
Capital commitments contracted but not provided for in respect of:		
Expenditure for vessels with 3 rd parties	-	7,994
Expenditure for vessels with Joint ventures entity	3,500	-

**Financial report
for the half-year ended 31 December 2015**

16. Segmental information

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

(i) Segment revenue and results

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

	Segment revenue		Segment profit/(loss)	
	Half-year ended 31 December 2015 US\$'000	(Restated) Half-year ended 31 December 2014 US\$'000	Half-year ended 31 December 2015 US\$'000	(Restated) Half-year ended 31 December 2014 US\$'000
Offshore support vessels	57,046	59,208	14,809	17,319
Crew/utility vessels	31,586	30,077	9,902	7,883
Tugs	-	5,104	(1,344)	(155)
Barges	7,790	11,424	4,281	3,316
Coastal survey vessels	-	788	(197)	(60)
Third party vessels	1,525	3,628	(67)	390
Project pipe transportation	23,230	39,255	3,574	8,480
	121,177	149,484	30,958	37,173
Eliminations	(707)	(6,591)	-	-
Total	120,470	142,893	30,958	37,173
Other gains and losses			338	2,272
Central administration costs and directors' salaries			(14,151)	(12,412)
Finance costs			(28,320)	(12,871)
Other expenses			(5,100)	-
Share of profit from joint ventures			4,988	4,312
Profit before tax			(11,287)	18,474
Income tax expense			(1,896)	(1,701)
Consolidated (loss)/ profit for the year			(13,183)	16,773

16. Segmental information (continued)

(ii) Segment assets and liabilities

	31 December 2015	30 June 2015
	US\$'000	US\$'000
Segment assets		
Offshore support vessels	385,941	401,543
Crew / utility vessels	218,910	228,155
Tugs	17,740	23,770
Barges	52,199	52,830
Coastal survey vessels	1,924	1,904
Third party vessels	102	1,420
Project pipes transportation	11,815	21,409
Total segment assets	688,631	731,031
Unallocated	292,019	264,314
Consolidated assets	980,650	995,345
Segment liabilities		
Offshore support vessels	53,643	110,168
Crew / utility vessels	30,184	28,112
Tugs	1,097	2,804
Barges	3,533	5,816
Coastal survey vessels	223	187
Third party vessels	30	19
Project pipes transportation	5,471	4,367
Total segment liabilities	94,181	151,473
Unallocated	496,205	439,059
Consolidated liabilities	590,386	590,532

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

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

16. Segmental information (continued)

(iii) Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	Half-year ended	Half-year ended	Half-year ended	Year ended
	31 December 2015	31 December 2014	31 December 2015	30 June 2015
	US\$'000	US\$'000	US\$'000	US\$'000
Offshore support vessels	10,403	8,085	2,993	131,905
Crew / utility vessels	5,356	4,313	10,305	29,774
Tugs	779	711	35	2,109
Barges	2,506	1,970	280	9,029
Coastal survey vessels	99	157	-	43
Project pipes transportation	83	77	18	122
Unallocated	476	555	304	4,613
	19,702	15,868	13,935	177,595

(iv) Geographical information

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

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

	Revenue from external customers		Non-current assets	
	Half-year ended	Half-year ended	31 December	30 June
	31 December 2015	31 December 2014	2015	2015
	US\$'000	US\$'000	US\$'000	US\$'000
Asia:				
Brunei	16,480	10,257	-	-
Indonesia	17,307	8,026	5,227	4,224
Malaysia	7,261	12,548	-	-
Singapore	-	-	106,451	101,588
Thailand	19,605	19,236	-	-
Rest of Asia	792	1,070	-	-
Inter-regional ⁽¹⁾	10,192	20,505	-	-
Australia	19,174	41,580	-	-
Middle East:				
Saudi Arabia	14,479	6,885	-	-
U.A.E.	7,960	13,554	-	-
Rest of Middle East	7,220	9,232	-	-
	120,470	142,893	111,678	105,812
Vessels ⁽²⁾	-	-	569,904	578,763
Vessels in construction/ work in progress ⁽²⁾	-	-	2,430	15,578
Drydocking costs ⁽²⁾	-	-	20,778	18,600
Vessel plant and equipment ⁽²⁾	-	-	6,135	4,798
Others	-	-	1,683	3,592
	120,470	142,893	712,608	727,143

16. Segmental information (continued)

(iv) Geographical information (continued)

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

(v) Information about major customers

Included in the Group's revenue for the half-year ended 31 December 2015 are revenue from Offshore Support Vessels and Crew/utility Vessels of US\$ 17,008,628 (2014: US\$18,683,000) derived from a single customer.

17. Related party transactions

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

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

	Half-year ended 31 December 2015 US\$'000	Half-year ended 31 December 2014 US\$'000
<u>Joint-ventures of the Group</u>		
Charter hire income	585	9
Repair income	-	34
Management fee income	755	873
Interest income	223	76
Sundry income	34	2
Charter hire expenses	(285)	(256)
Repair expenses	(1)	(4)
Interest expenses	(40)	(30)
Management fee expenses	(608)	(929)

18. Prior period's adjustments

Certain adjustments have been made to the previous period's financial statements to align with the current period's presentation.

As a result, certain line items have been restated as follows:

	Previously reported 31 December 2014 US\$'000	As restated 31 December 2014 US\$'000
Condensed consolidated statement of comprehensive income		
Cost of sales	(97,788)	(105,720)
Administration expenses	(20,344)	(12,412)