



MICLYN EXPRESS OFFSHORE LIMITED
(Registration number 42388)

REPORT AND FINANCIAL STATEMENTS

HALF YEAR ENDED 31 DECEMBER 2016

MICLYN EXPRESS OFFSHORE LIMITED

REPORT AND FINANCIAL STATEMENTS

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MICLYN EXPRESS OFFSHORE LIMITED

DIRECTORS' REPORT

The directors of Miclyn Express Offshore Limited (the "Company") submit herewith the Directors' Report for the half-year ended 31 December 2016 (half-year financial information).

DIRECTORS

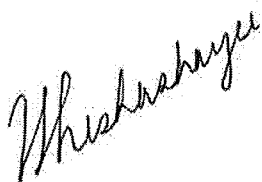
The names of the directors of the Company during and as at the end of the half year were:

- Marcus Thompson – Co-Chairman, Non-Executive Director
- Graham Brooke – Co-Chairman, Non -Executive Director
- Venkatraman Sheshashayee – Chief Executive Officer, Executive Director
- Diederik Christiaan de Boer – Non-Executive Director
- Shane Gong – Non-Executive Director
- Vincent Low – Non-Executive Director (appointed on 18 October 2016)
- Jessica Lau – Non-Executive Director (resigned on 18 October 2016)
- Dr Chew Kia Ngee – Independent Director
- Richard Lorentz – Independent Director

Signed in accordance with a resolution of the Directors.



.....
Marcus Thompson



.....
Venkatraman Sheshashayee

24th February 2017

MICLYN EXPRESS OFFSHORE LIMITED

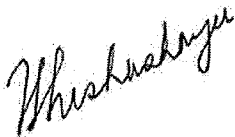
STATEMENT OF DIRECTORS

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, as set out on pages 4 to 18 for the half-year period ended 31 December 2016 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



.....
Marcus Thompson



.....
Venkatraman Sheshashayee

24th February 2017

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 2016, 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 18.


Management is responsible for the preparation and presentation of the half-year financial information in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on this half-year financial information 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 2016, and of its financial performance, changes in equity, and its cash flows for the half-year then ended in accordance with IAS 34.



Public Accountants and
Chartered Accountants

Singapore
24 February 2017

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

Condensed consolidated statement of comprehensive income

	Note	Half-year ended 31 December 2016 US\$'000	Half-year ended 31 December 2015 US\$'000
Revenue	6a	92,034	120,470
Cost of sales		(78,333)	(89,512)
Gross profit		13,701	30,958
Other gains and losses	6b	1,333	338
Administration expenses	2	(8,987)	(14,151)
Finance costs	3	(14,566)	(28,320)
Other expenses	4	(108)	(5,100)
Share of profit from joint ventures	5	1,915	4,988
Loss before tax	6	(6,712)	(11,287)
Income tax expense		(2,172)	(1,896)
NET LOSS FOR THE HALF-YEAR		(8,884)	(13,183)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		(4,768)	(2,743)
Cash flow hedges		-	863
Other comprehensive loss for the half-year, net of tax		(4,768)	(1,880)
TOTAL COMPREHENSIVE LOSS FOR THE HALF-YEAR		(13,652)	(15,063)
Net loss attributable to:			
Owners of the Company		(9,449)	(13,538)
Non-controlling interests		565	355
		(8,884)	(13,183)
Total comprehensive loss attributable to:			
Owners of the Company		(14,217)	(15,418)
Non-controlling interests		565	355
		(13,652)	(15,063)

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

Condensed consolidated statement of financial position

	Note	31 December 2016 US\$'000	30 June 2016 US\$'000
Assets			
<i>Current assets</i>			
Cash and cash equivalents		9,934	13,835
Trade and other receivables	7	79,551	76,508
Loan to immediate holding company	8	139,165	139,165
Inventories		7,785	5,958
Vessel held for sale	9	-	1,600
Total current assets		236,435	237,066
<i>Non-current assets</i>			
Investment in joint ventures	5	76,609	74,670
Property, plant and equipment	10	567,626	587,165
Intangible assets	11	33,060	33,067
Other non current assets		3,137	2,742
Total non-current assets		680,432	697,644
Total assets		916,867	934,710
Liabilities			
<i>Current liabilities</i>			
Trade and other payables		72,870	64,947
Borrowings	12	16,206	31,914
Provisions		79	202
Current tax liabilities		3,538	2,804
Total current liabilities		92,693	99,867
<i>Non-current liabilities</i>			
Borrowings	12	301,347	300,062
Senior secured guaranteed bonds	13	146,959	146,162
Deferred tax liabilities		2,769	2,298
Total non-current liabilities		451,075	448,522
Total liabilities		543,768	548,389
Net assets		373,099	386,321
Equity			
<i>Capital and reserves</i>			
Share capital		-*	-*
Reserves		127,334	131,672
Retained earnings		242,794	252,243
Equity attributable to owners of the Company		370,128	383,915
Non-controlling interests		2,971	2,406
Total equity		373,099	386,321

* Amount is less than US\$1,000

MICLYN EXPRESS OFFSHORE LIMITED

**Financial information
for the half-year ended 31 December 2016**

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 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)/ income 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 (1)	-	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

(1) 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

MICLYN EXPRESS OFFSHORE LIMITED

**Financial information
for the half-year ended 31 December 2016**

Condensed consolidated statement of changes in equity

	Share capital US\$'000	Other equity reserves US\$'000	Translation 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 2016	-*	141,436	(11,774)	2,010	252,243	383,915	2,406	386,321
Loss for the period	-	-	-	-	(9,449)	(9,449)	565	(8,884)
Other comprehensive loss for the period, net of tax	-	-	(4,768)	-	-	(4,768)	-	(4,768)
Total comprehensive (loss)/ income for the period	-	-	(4,768)	-	(9,449)	(14,217)	565	(13,652)
Transaction with owners, recognised directly in equity								
Recognition of share-based payment	-	-	-	430	-	430	-	430
Balance at 31 December 2016	-*	141,436	(16,542)	2,440	242,794	370,128	2,971	373,099

* Amount is less than US\$1,000

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

Condensed consolidated statement of cash flows

	Half-year ended 31 December 2016 US\$'000	Half-year ended 31 December 2015 US\$'000
Cash flows from operating activities		
Loss for the half-year	(8,884)	(13,183)
Adjustments for:		
Income tax expense recognised in profit	2,172	1,896
Share of profit of joint ventures	(1,915)	(4,988)
Amortisation of provisions	(124)	(124)
Amortisation of intangible assets	7	70
Amortisation of drydocking expenditure	4,569	5,000
Depreciation of property, plant and equipment	14,657	14,632
Property, plant and equipment written off	-	(1)
Allowance for doubtful debts	21	4,540
Impairment loss on vessels	-	5,100
Loss (gain) on disposal of property, plant and equipment (net)	61	(53)
Interest expense	14,530	28,256
Interest income	(62)	(114)
Expense recognised in respect of share-based payments	430	430
Unrealised currency translation loss	(1,281)	(1,342)
	<u>24,181</u>	<u>40,119</u>
Movements in working capital		
(Increase) decrease in trade and other receivables	(4,545)	15,069
Decrease in inventories	(1,863)	(523)
Increase (decrease) in trade and other payables	<u>8,271</u>	<u>(2,004)</u>
Cash generated from operations	26,044	52,661
Income tax refund (paid)	98	(624)
Interest paid	<u>(13,727)</u>	<u>(11,509)</u>
Net cash generated from operating activities	<u>12,415</u>	<u>40,528</u>
Cash flows from investing activities		
Interest received	62	114
Proceeds from disposal of property, plant and equipment	1,849	3,086
Payments for property, plant and equipment	<u>(3,258)</u>	<u>(13,935)</u>
Net cash used in investing activities	<u>(1,347)</u>	<u>(10,735)</u>

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

Condensed consolidated statement of cash flows (cont'd)

	Half-year ended 31 December 2016 US\$'000	Half-year ended 31 December 2015 US\$'000
Cash flows from financing activities		
Acquisition of shares in subsidiary from non-controlling interest	-	(30)
Proceeds from issue of bond	-	150,000
Proceeds of borrowings	7,500	363,000
Upfront expenses due to bonds and borrowings	(1,270)	(8,269)
Net bond settlement	-	(158,153)
Repayment of borrowings	(21,039)	(351,299)
Net cash used in financing activities	(14,809)	(4,751)
Net (decrease) increase in cash and cash equivalents	(3,741)	25,042
Cash and cash equivalents at the beginning of the half-year	13,835	16,237
Effects of exchange rate changes on the balance of cash held in foreign currencies	(160)	(299)
Cash and cash equivalents at the end of the half-year	9,934	40,980

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

Notes to the Condensed Consolidated Financial Statements

1. Significant accounting policies

Statement of compliance

The half-year financial information is prepared in accordance with International Accounting Standard (“IAS”) IAS 34 *Interim Financial Reporting*. The half-year financial information 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 information are consistent with those adopted and disclosed in the Company’s 2016 annual financial report for the financial year ended 30 June 2016.

The new or revised International Financial Reporting Standards (“IFRS”) and Interpretations of International Financial Reporting Standards, which became mandatory as of 1 July 2016, did not result in any 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.

Except for the downturn in oil and gas sector, 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 2016 US\$’000	Half-year ended 31 December 2015 US\$’000
Staff and related costs	5,365	6,256
Allowance for doubtful debts	21	4,540
Professional fees	1,393	1,566
Office rental	824	748
Depreciation & amortisation	319	452
Other administrative expenses	1,065	589
	<u>8,987</u>	<u>14,151</u>

3. Finance costs

Finance costs included upfront fees written off amounting to Nil (2015: US\$ 13,851,000) for half-year ended 31 December 2016.

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

4. Other expenses

	Half-year ended 31 December 2016 US\$'000	Half-year ended 31 December 2015 US\$'000
Loss on disposal of plant and equipment	61	-
Loss on impairment	-	5,100
Others	47	-
	<u>108</u>	<u>5,100</u>

5. Joint ventures

	31 December 2016 US\$'000	30 June 2016 US\$'000
Investment in joint ventures	39,052	39,052
Share of post-acquisition profit, net of dividend received	37,557	35,618
	<u>76,609</u>	<u>74,670</u>

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 2016 %	30 June 2016 %
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
Uniwise Midad Marine Co LLC Saudi Arabia	Owner and charterer of vessels and barges	50.0	50.0

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

5. Joint ventures (cont'd)

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

	31 December 2016	30 June 2016
	US\$'000	US\$'000
Total assets	188,374	189,922
Total liabilities	(35,157)	(40,582)
Net assets	153,217	149,340
Group's share of joint ventures net assets	76,609	74,670

	31 December 2016	31 December 2015
	US\$'000	US\$'000
Revenue	15,052	24,699
Profit for the period	3,831	9,976
Group's share of joint ventures' profit	1,915	4,988

6. Loss before tax

	Half-year ended 31 December 2016	Half-year ended 31 December 2015
	US\$'000	US\$'000
Loss before tax for the half-year includes:		
a) Revenue from operations		
Charter revenue	57,238	89,680
Mobilisation/demobilisation income	9,010	4,584
Ship management income	2,112	2,396
Project pipes transportation	23,590	23,230
Other revenue	84	580
	92,034	120,470
b) Other gains and losses		
Gain on disposal of property, plant and equipment	-	53
Amortisation of provisions *	124	124
Interest income	62	114
Sundry income	436	22
Management income	35	35
Net gain/ (loss) on foreign exchange	676	(10)
	1,333	338

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

6. Loss before tax (cont'd)

e) Depreciation and amortisation

Depreciation of property, plant and equipment	14,657	14,632
Amortisation of drydocking expenditure	4,569	5,000
	<hr/>	<hr/>
	19,226	19,632
Amortisation of intangible assets	7	70
	<hr/>	<hr/>
	19,233	19,702

* 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.

7. Trade and other receivables

	31 December 2016 US\$'000	30 June 2016 US\$'000
Trade receivables	64,988	60,366
Allowance for doubtful debts	(4,219)	(4,266)
	<hr/>	<hr/>
	60,769	56,100
Trade balances due from: Related parties (Note 15)	1,590	2,182
	<hr/>	<hr/>
	62,359	82,376
Non-trade balances due from: Related parties (Note 15)	3,249	3,382
	<hr/>	<hr/>
Advances	3,620	3,503
Deposits	1,677	1,713
Prepayments	3,413	3,299
Insurance claims	215	1,199
Other receivables	2,328	1,971
Loan to a related party (Note 15)	600	600
Tax recoverable	2,090	2,559
	<hr/>	<hr/>
	79,551	76,508

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.

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

9 Vessel held for sale

On 16 June 2016, the Group entered into an agreement to sell a utility vessel to an external party for a consideration of US\$1,600,000. 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 2016, the vessel had a carrying amount of US\$1,600,000. The vessel was subsequently disposed in the half-year ended 31 December 2016.

10. Property, plant and equipment

During the half-year ended 31 December 2016, the Group acquired US\$3,257,787 (2016: US\$21,187,000) of new additions to property, plant and equipment. During the same period, the Group disposed of property, plant and equipment with carrying amount of US\$1,909,677 (2016: US\$5,593,000) which comprised solely of vessel and equipments.

11. Intangible assets

	31 December 2016	30 June 2016
	US\$'000	US\$'000
<u>Composition:</u>		
Goodwill	32,837	32,837
Licences	223	230
	<u>33,060</u>	<u>33,067</u>

12. Borrowings

	31 December 2016	30 June 2016
	US\$'000	US\$'000
Secured - at amortised cost		
<u>Current</u>		
Bank loans	16,199	31,907
Finance lease liabilities	7	7
	<u>16,206</u>	<u>31,914</u>
<u>Non Current</u>		
Bank loans	301,347	300,062
	<u>301,347</u>	<u>300,062</u>
Total	<u>317,553</u>	<u>331,976</u>

Terms of outstanding loans are as follows:

	Interest rate	Year of Maturity	31 December 2016	30 June 2016
			US\$'000	US\$'000
Secured bank loans				
- USD syndicated term loan facility	LIBOR + 2.75%	2019	17,628	20,484
- USD syndicated revolving credit facility	LIBOR + 3.35%	2020	66,000	58,500
- USD syndicated term loan facility	LIBOR + 3.35%	2020	233,918	236,711
- USD syndicated term loan facility	LIBOR + 5.35%	2020	-	16,274
			<u>317,546</u>	<u>331,969</u>

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

13. 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 2016, the effective interest rate was 9.81% per annum. The fair value of the 8.75% senior secured guaranteed bonds at 31 December 2016 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.

14. Segmental information

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

(i) Segment revenue and results

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

	Segment revenue		Segment profit/ (loss)	
	Half-year ended 31 December 2016 US\$'000	Half-year ended 31 December 2015 US\$'000	Half-year ended 31 December 2016 US\$'000	Half-year ended 31 December 2015 US\$'000
Offshore support vessels	36,274	57,046	896	14,809
Crew/utility vessels	26,676	31,586	7,964	9,902
Tugs	226	-	(679)	(1,344)
Barges	4,804	7,790	1,157	4,281
Coastal survey vessels	625	-	96	(197)
Third party vessels	-	1,525	(25)	(67)
Project pipe transportation	23,590	23,230	4,292	3,574
	92,195	121,177	13,701	30,958
Eliminations	(161)	(707)	-	-
Total	92,034	120,470	13,701	30,958
Other gains			1,333	338
Central administration costs and directors' salaries			(8,987)	(14,151)
Finance costs			(14,566)	(28,320)
Other expenses			(108)	(5,100)
Share of profit from joint ventures			1,915	4,988
Loss before tax			(6,712)	(11,287)
Income tax expense			(2,172)	(1,896)
Consolidated loss for the year			(8,884)	(13,183)

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

14. Segmental information (cont'd)

(ii) Segment assets and liabilities

	31 December 2016	30 June 2016
	US\$'000	US\$'000
Segment assets		
Offshore support vessels	371,486	374,016
Crew / utility vessels	217,547	220,499
Tugs	15,179	15,545
Barges	45,631	47,455
Coastal survey vessels	845	1,057
Project pipes transportation	11,976	15,010
Vessel customisation	-	1,327
Total segment assets	662,664	674,909
Unallocated	254,203	259,801
Consolidated assets	916,867	934,710
Segment liabilities		
Offshore support vessels	53,121	50,549
Crew / utility vessels	30,137	28,935
Tugs	1,040	1,065
Barges	4,521	3,514
Coastal survey vessels	67	122
Project pipes transportation	3,558	4,553
Vessel customisation	1,112	2,408
Total segment liabilities	93,556	91,146
Unallocated	450,212	457,243
Consolidated liabilities	543,768	548,389

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.

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

14. Segmental information (cont'd)

(iii) Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	Half-year ended 31 December 2016	Half-year ended 31 December 2015	Half-year ended 31 December 2016	Year ended 30 June 2016
	US\$'000	US\$'000	US\$'000	US\$'000
Offshore support vessels	11,006	10,403	1,989	4,703
Crew / utility vessels	5,085	5,356	412	15,247
Tugs	542	779	151	31
Barges	2,190	2,506	584	952
Coastal survey vessels	54	99	-	-
Project pipes transportation	17	83	-	18
Unallocated	339	476	122	236
	<u>19,233</u>	<u>19,702</u>	<u>3,258</u>	<u>21,187</u>

(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 31 December 2016	Half-year ended 31 December 2015	31 December 2016	30 June 2016
	US\$'000	US\$'000	US\$'000	US\$'000
Asia:				
Brunei	7,788	16,480	-	-
Indonesia	24,020	17,307	2,666	2,223
Malaysia	9,221	7,261	-	-
Singapore	-	-	110,140	108,256
Thailand	7,493	19,605	-	-
Rest of Asia	1,185	792	-	-
Inter-regional ⁽¹⁾	2,141	10,192	-	-
Australia	7,166	19,174	-	-
Africa	2,427	-	-	-
Middle East:				
Saudi Arabia	11,675	14,479	-	-
U.A.E.	14,590	7,960	-	-
Rest of Middle East	4,328	7,220	-	-
	<u>92,034</u>	<u>120,470</u>	<u>112,806</u>	<u>110,479</u>
Vessels ⁽²⁾	-	-	544,736	560,363
Vessels in construction/ work in progress ⁽²⁾	-	-	2,687	357
Drydocking costs ⁽²⁾	-	-	11,946	16,601
Vessel plant and equipment ⁽²⁾	-	-	5,279	6,664
Others	-	-	2,978	3,180
	<u>92,034</u>	<u>120,470</u>	<u>680,432</u>	<u>697,644</u>

MICLYN EXPRESS OFFSHORE LIMITED

Financial information for the half-year ended 31 December 2016

14. Segmental information (cont'd)

(iv) Geographical information (cont'd)

- (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 2016 are revenue from offshore support vessels and crew/utility vessels of US\$ 7,846,804 (2015: US\$17,008,628) derived from a single customer.

15. Related party transactions

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

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

	Half-year ended 31 December 2016 US\$'000	Half-year ended 31 December 2015 US\$'000
<u>Joint-ventures of the Group</u>		
Charter hire income	624	585
Management fee income	372	755
Interest income	180	223
Sundry income	-	34
Charter hire expenses	(389)	(285)
Repair expenses	-	(1)
Interest expenses	(8)	(40)
Management fee expenses	(233)	(608)