

000079/13/11

In accordance with
Regulation 32 of the
Overseas Companies
Regulations 2009

OS AA01

Statement of details of parent law and other information for an overseas company



Companies House



A05 "A54AHIR7"
05/04/2016 #151
COMPANIES HOUSE
A24 "A53FZU6VV"
24/03/2016 #60
COMPANIES HOUSE

☒ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law

☒ **What this form is NOT for**
You cannot use this form to
an alteration of manner of
with accounting requirements

Part 1 Corporate company name

Corporate name of
overseas company ①

CEONA PTE LTD

UK establishment
number

B R 0 1 6 4 7 6

→ **Filling in this form**
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited

Legislation ②

Singapore Companies Act Chapter 50

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box

☐ No Go to Section A3

☒ Yes Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3

Name of organisation
or body ③

Singapore Financial Reporting Standards

③ Please insert the name of the
appropriate accounting organisation
or body

A3 Accounts

Accounts

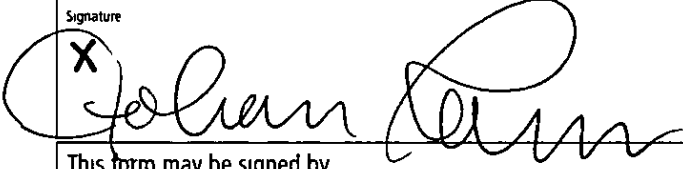
Have the accounts been audited? Please tick the appropriate box

☐ No Go to Section A5

☒ Yes Go to Section A4

OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts		
Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box <input type="checkbox"/> No Go to Part 3 'Signature' <input checked="" type="checkbox"/> Yes Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'	❶ Please insert the name of the appropriate accounting organisation or body
Name of organisation or body ❶	Singapore Standards on Auditing	
A5 Unaudited accounts		
Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box <input type="checkbox"/> No <input type="checkbox"/> Yes	
Part 3 Signature		
	I am signing this form on behalf of the overseas company	
Signature	<div>Signature</div> <div>X  X</div> <div>This form may be signed by Director, Secretary, Permanent representative</div>	

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name

Ceona Services (UK) Limited

Address

3, Shortlands

Post town

London

County/Region

Postcode

W

6

8

D

A

Country

DX

Telephone



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address

England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register
- ☐ You have completed all sections of the form, if appropriate
- ☐ You have signed the form



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

49/20

CEONA PTE. LTD. AND SUBSIDIARIES

(Incorporated In Singapore Registration Number 201108567D)

ANNUAL REPORT

For the financial year ended 31 December 2014

A24

24/03/2016
COMPANIES HOUSE

CEONA PTE LTD AND SUBSIDIARIES

COMPANY INFORMATION

Registered address	16 Collyer Quay, # 18-38A, Singapore 049318
Company number	201108567D
UK establishment number	BR016476
The Board of directors	Mr Stephen Fordham Mr Johan Rasmussen
Independent Auditors	PricewaterhouseCoopers LLP Singapore
Immediate holding company	Ceona Investments Limited (in Administration)
Parent company of Group	Ceona Holding Ltd (in Administration) Redwood House, St Julian's Avenue, St Peter Port, GY1 1WA, Guernsey
Principal place of business	3 Shortlands Hammersmith London W6 8DA
Ultimate parent company	Troll Cooperative U A

CEONA PTE. LTD. AND SUBSIDIARIES

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CEONA PTE. LTD AND SUBSIDIARIES

DIRECTORS' REPORT

The directors present their report to the shareholder and the audited financial statements of Ceona Pte Ltd and its subsidiary companies, together called 'the Group', for the year ended 31 December 2014

Directors

The directors in office during the year and at the date of this report are as follows.

Mr Stephen W Fordham

Mr Johan Rasmussen

Mr Stuart Cameron (resigned on 25 September 2015)

Mr Matthias Ploch (appointed on 12 January 2015, resigned on 31 July 2015)

Mr Stephen Preston (resigned on 11 June 2015)

Mr Michael De-Rhune (resigned on 9 January 2015)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Group a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except for the following directors who had an indirect interest in shares in Ceona Holding Ltd, via a limited liability partnership as at 1 January, 2014 and also as at 31 December 2014, as follows

Name of Director	Class A Ordinary shares of \$0.10 each	Class B Ordinary shares of \$10.00 each	Class C shares of \$0.01 each	Preference shares of \$1 00 each
Mr Stuart Cameron	13,500	-	198,000	43,020
Mr Michael De-Rhune	6,000	-	88,000	19,120
Mr Mark Preece	37,500	-	550,000	119,500
Mr Stephen Preston	25,500	23,250	715,000	155,350
Mr Johan Rasmussen	15,000	-	220,000	47,800

Directors' contractual benefits

Since the end of the previous financial period, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report

CEONA PTE. LTD. AND SUBSIDIARIES

DIRECTORS' REPORT (continued)

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company

There were no unissued shares of the Company under option at the end of the financial year

Business development and strategy

During the period the Group's two vessels were on charter performing light construction and accommodation support services in the Gulf of Mexico

In view of adverse conditions prevailing in the charter market, the directors believe it will be necessary either to sell the vessels owned by the Group's subsidiaries or to sell the shares of the vessel-owning subsidiaries in order for the new owners to provide fresh capital. Until this is achieved, the directors intend to continue chartering the vessels at a rate sufficient to meet operating expenses, failing which it will resort to temporary storage solutions such as cold- or warm-stacking.

Financing

The immediate holding company, Ceona Investments Ltd, entered administration on 16 September 2015, together with a number of other subsidiaries of Ceona Holding Ltd.

During 2014, the Group received a \$ 250 million interest-free loan from its indirect shareholder, Troll Investment BV, which it on-lent to its shareholder Ceona Investments Ltd, which entered administration on 16 September 2015. This loan receivable has been fully impaired.

The Group's cash and cash equivalents as at 31st December 2014 were \$2.5 million (2013: \$7.4 million), and net debt was \$102.0 million (2013: \$103.6 million) as shown in note 22. Restricted cash deposits in relation to debt servicing totalled \$13.9 million (2013: \$15.1 million).

Going concern

In considering the going concern basis for preparing the financial statements, the directors have considered the Group's strategy and objectives, risks and uncertainties in achieving its objectives and its likely mitigating actions should conditions require such actions to be pursued.

The Group meets its funding requirement through equity finance from its shareholders and bank borrowings. In view of the fact that the immediate holding company, Ceona Investments Ltd, entered administration on 16 September 2015, together with a number of other subsidiaries of Ceona Holding Ltd, the Group can no longer rely upon support from its shareholder. Further, all intercompany receivables from entities in administration have been fully impaired in these financial statements.

Following negotiations with its lenders, on 26 November 2015 the Group reached a new agreement under which the lenders have confirmed their support for the continued trading of OIG Giant I Pte Ltd and OIG Giant II Pte Ltd in the ordinary course of business, and confirm they are prepared to provide appropriate funding by way of release of restricted funds from the fixed charge bank accounts of the Group.

CEONA PTE. LTD. AND SUBSIDIARIES

DIRECTORS' REPORT (continued)

Going concern (continued)

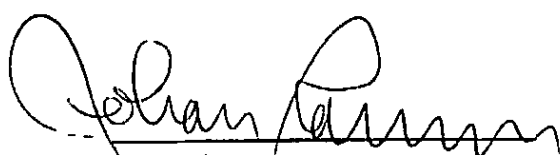
The Group's cash flow forecasts indicate that the access to those funds will enable the Group to continue to operate as a going concern for the foreseeable future, at least until the end of April 2017. This forecast is subject to risks, and in particular to the continued availability of the funding provided by the Group's lenders. While the lenders have indicated their support for the continued trading of the Group to allow for the negotiation of appropriate sale terms for the Group's vessels or of the shares in the relevant vessel-owning companies, there is no obligation on them to continue to provide funding if they elect to adopt a different strategy. In such circumstances it would be unlikely that the Group could continue as a going concern unless alternative funding could be sourced at relatively short notice. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

In addition, it should be noted that following any disposal of the Group's vessels or of the shares in the relevant vessel-owning companies, the Company will no longer own any material assets, and as such its going concern status at such point will be dependent on support from the lenders for a solvent liquidation process, including release of the Company from any outstanding obligations to the lenders.

Independent Auditors

The independent auditor, PricewaterhouseCoopers LLP, have expressed their willingness to accept re-appointment.

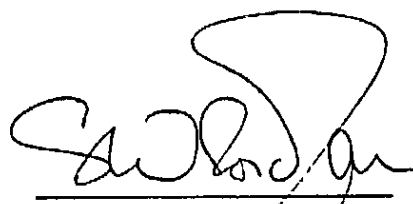
On behalf of the directors



Mr. Johan Rasmussen

Director

29 February 2016



Mr. Stephen W. Fordham

Director

CEONA PTE. LTD. AND SUBSIDIARIES

STATEMENT BY DIRECTORS

In the opinion of the directors,

- (a) the financial statements as set out on pages 7 to 46 are drawn up so as to give a true and fair view of the state of affairs of the Group as at 31 December 2014 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; and
- (b) notwithstanding the negative equity position of the Group, neither Ceona Pte. Ltd nor any of its subsidiaries is in administration as at the date of this statement, and an agreement has been reached on 26 November 2015 with the Group's lenders under which the Company and its subsidiaries will have access to sufficient funds to pay its debts as and when they fall due.

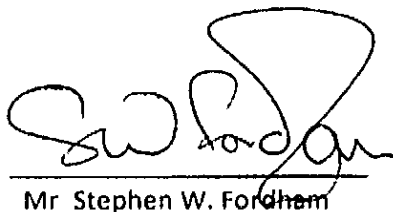
Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

On behalf of the directors



Mr. Johan Rasmussen

Director



Mr Stephen W. Fordham

Director

29 February 2016

CEONA PTE. LTD. AND SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF CEONA PTE. LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of Ceona Pte Ltd (the "Company") and its subsidiaries (the "Group") set out on pages 7 to 46, which comprise the consolidated balance sheet of the Group and balance sheet of the Company as at 31 December 2014, the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition, and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

CEONA PTE. LTD. AND SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF CEONA PTE LTD.(CONTINUED)

Emphasis of matter

We draw attention to Note 2 to these financial statements, which states that the parent company of the Ceona Holding Limited group entered administration on 16 September 2015, together with several other group undertakings. The Ceona Pte.Ltd Group incurred a loss of US\$ 184.190 million, and the current liabilities of the Group exceeded the current assets by US\$ 12.242 million. This, along with other matters described in Note 2, indicates the existence of a material uncertainty which may cast significant doubt about the ability of the Company to continue as a going concern. Our opinion is not qualified in respect of this matter.

Opinion

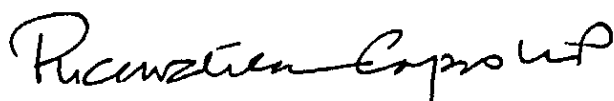
In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2014, and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date.

Other matter

Consolidated prior year comparative figures for the financial year ended 31 December 2013 were not audited, as the Group was exempted from the preparation of consolidated financial statements because it is a subsidiary of Ceona Holding Limited.

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.



PricewaterhouseCoopers LLP

Public Accountants and Chartered Accountants

Singapore, 29 February 2016

CEONA PTE LTD AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME**

FOR THE YEAR ENDED 31 DECEMBER 2014

		2014			2013 Unaudited		
	Note	Before exceptional items US \$'000	Exceptional items (note 7) US \$'000	Total after exceptional items US \$'000	Before exceptional items US \$'000	Exceptional items (note 7) US \$'000	Total after exceptional items US \$'000
Revenue	6	20,065	-	20,065	87,924	-	87,924
Cost of sales	12	(13,082)	(92,647)	(105,729)	(66,839)	(28,463)	(95,302)
Gross profit / (loss)		6,983	(92,647)	(85,664)	21,085	(28,463)	(7,378)
Administrative expenses	12	(17,344)	(87,034)	(104,378)	(19,808)	(15,454)	(35,262)
Other income		-	-	-	(1,814)	-	(1,814)
Operating loss		(10,361)	(179,681)	(190,042)	(537)	(43,917)	(44,454)
Other gains	8	9,728	-	9,728	(4,241)	-	(4,241)
Finance income	9	68	-	68	1,528	-	1,528
Finance costs	10	(2,010)	-	(2,010)	(2,686)	-	(2,686)
Loss before income tax		(2,575)	(179,681)	(182,256)	(5,936)	(43,917)	(49,853)
Taxation	13	(1,934)	-	(1,934)	(210)	-	(210)
Loss for the year		(4,509)	(179,681)	(184,190)	(6,146)	(43,917)	(50,063)
Loss attributable to owners of the parent				(184,190)			(50,063)
Other comprehensive expense							
Currency translation differences				(241)			0
Other comprehensive expense, net of tax				(241)			0
Total comprehensive expense attributable to the owners of the parent company				(184,431)			(50,063)

The notes form an integral part of the financial statements

CEONA PTE. LTD. AND SUBSIDIARIES

BALANCE SHEETS - GROUP

AS AT 31 DECEMBER 2014

		2014	2013
		US \$'000	(Unaudited) US \$'000
ASSETS	Note		
Non-current assets			
Vessels	17	76,063	174,893
Other property, plant and equipment	18	197	392
Restricted cash	14	13,938	15,135
		<u>90,198</u>	<u>190,420</u>
Current assets			
Inventories	16	1,163	352
Trade and other receivables	15	2,883	103,923
Other current assets		-	24
Cash and cash equivalents	14	2,524	7,381
		<u>6,570</u>	<u>111,680</u>
Total Assets		<u>96,768</u>	<u>302,100</u>
EQUITY			
Equity attributable to owners of the parent			
Ordinary Share capital	23	*	*
Redeemable Preference shares	23	332,899	332,899
Currency translation reserve	24	(5)	236
Accumulated losses		(346,546)	(162,356)
Total Equity		<u>(13,652)</u>	<u>170,779</u>
LIABILITIES			
Non-current liabilities			
Non-current portion of borrowings	21	91,608	97,291
		<u>91,608</u>	<u>97,291</u>
Current liabilities			
Trade and other payables	19	4,402	13,586
Provisions for other liabilities and charges	20	-	4,665
Current portion of borrowings	21	12,877	13,709
Derivative financial liabilities	26	541	1,026
Current income tax liabilities		11	168
Accrued expenses		981	876
		<u>18,812</u>	<u>34,030</u>
Total Liabilities		<u>110,420</u>	<u>131,321</u>
Total Equity and Liabilities		<u>96,768</u>	<u>302,100</u>

* Represents US\$1

The notes form an integral part of the financial statements

CEONA PTE. LTD. AND SUBSIDIARIES

BALANCE SHEETS - COMPANY

AS AT 31 DECEMBER 2014

		2014	2013
	Note	US \$'000	US \$'000
ASSETS			
Non-current assets			
Property, plant and equipment	18	197	392
Investment in subsidiaries	28	45,196	53,298
Restricted cash	14	5,000	5,000
		<u>50,393</u>	<u>58,690</u>
Current assets			
Inventories	16	-	352
Trade and other receivables	15	381	104,285
Cash and cash equivalents	14	42	3,134
		<u>423</u>	<u>107,771</u>
Total Assets		<u>50,816</u>	<u>166,461</u>
EQUITY			
Share capital	23	*	*
Redeemable preference shares	23	332,899	332,899
Accumulated losses		(346,533)	(167,602)
Total Equity		<u>(13,634)</u>	<u>165,297</u>
LIABILITIES			
Current liabilities			
Trade and other payables	19	28,079	1,164
Provision for Liabilities	20	35,026	-
Accruals		1,345	-
		<u>64,450</u>	<u>1,164</u>
Total liabilities		<u>64,450</u>	<u>1,164</u>
Total equity and liabilities		<u>50,816</u>	<u>166,461</u>

* Represents US\$1

The notes form an integral part of the financial statements

CEONA PTE. LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2014

	Share capital	Redeemable preference shares	Currency translation reserve	Accumulated losses	Non- controlling interest	Total equity
	US \$'000	US \$'000	US \$'000	US \$'000	US \$'000	US \$'000
2013 (Unaudited)						
Beginning of financial year	*	322,899	(8,478)	(98,533)	579	216,467
Total comprehensive expense	-	-	-	(50,063)	-	(50,063)
Effect of Group reorganisation		10,000	8,714	(13,760)	(579)	4,375
End of financial year	*	332,899	236	(162,356)	-	170,779
2014						
Beginning of financial year	*	332,899	236	(162,356)	-	170,779
Total comprehensive expense	-	-	(241)	(184,190)	-	(184,431)
End of financial year	*	332,899	(5)	(346,546)	-	(13,652)

*Represents \$1

The notes form an integral part of the financial statements

CEONA PTE LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2014

		2014	2013
			(Unaudited)
	Note	US \$'000	US \$'000
Cash flows from operating activities			
Net cash used in operations (Note 30)		(19,879)	(33,910)
Interest paid		2,010	2,686
Tax paid		(2,307)	(12,813)
Net cash used in operating activities		(20,176)	(44,037)
Cash flows from investing activities			
Vessel improvements and dry-docking		(4,624)	(4,809)
Net cash used in investing activities		(4,624)	(4,809)
Cash flow from financing activities			
Interest paid or capitalised		(2,010)	(2,686)
Proceeds from issue of shares		-	10,000
Proceeds of loan from indirect shareholder		25,000	-
Repayment of borrowings		(12,601)	(10,721)
Net cash generated from / (used in) financing activities		10,389	(3,407)
Decrease in cash and cash equivalents		(14,411)	(52,253)
Cash and cash equivalents at beginning of year	14	22,516	52,218
Effect of exchange rates on cash and cash equivalents		(5,581)	7,416
Cash and cash equivalents at end of year	14	2,524	7,381
Analysis of cash and cash equivalents at end of financial year			
Cash and bank balances including restricted cash		16,462	22,516
Less: Non-current restricted cash		(13,938)	(15,135)
Cash and cash equivalents at end of year		2,524	7,381

The notes form an integral part of the financial statements

CEONA PTE. LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

1 General Information

Ceona Pte.Ltd. ('the Company') is, for statutory accounting purposes, the parent company of the Ceona Pte Ltd Group ('the Group'). Ceona Pte Ltd is a limited liability company incorporated in Singapore. Since 30 June 2013, the Group has operated entirely from its principal place of business in the United Kingdom.

The address of the registered office and the principal place of business are given in the Company Information page.

The principal activity of the Group is to provide marine based offshore services to the oil and gas industry. The Group owns two light construction offshore support vessels, one of which, the Blue Giant, was bareboat-chartered to a client, and the other, the Giant II, was operated in Mexico.

The immediate parent company of Ceona Pte Ltd is Ceona Investments Limited (in administration), a private limited liability company established in England and Wales, which is a 100% owned subsidiary of Ceona Holding Ltd (in administration). Both these entities entered administration on 16 September 2015, together with a number of other subsidiaries of Ceona Holding Ltd.

Consolidated financial statements

The consolidated financial statements include comparative prior-period financial figures which have not been audited. This is because the Company was exempted from the preparation of consolidated financial statements in 2013 as a wholly-owned subsidiary of Ceona Holding Limited, which produced consolidated financial statements available for public use. Ceona Holding Limited entered administration on 16 September 2015 and did not publish consolidated financial statements for 2014. Hence, consolidated financial statements are prepared at Ceona Pte Ltd group level for 2014.

2 Basis of accounting

Presentation of financial statements

The financial statements are presented in United States Dollar ("USD", "\$", "US \$"), because that is the currency of the primary economic environment in which the Group operates.

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ('FRS'). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a high degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

The principal accounting policies applied in the preparation of these financial statements are set out in Note 4. Unless otherwise stated, these policies have been consistently applied to all periods presented.

CEONA PTE LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

2 Basis of accounting (continued)

Interpretations and amendments to published standards effective in 2014

On 1 January 2014, the Company adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions of the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the current or prior financial year.

Going concern assumption

The parent company of the Ceona Holding Limited group entered administration on 16 September 2015, together with several other group undertakings. The Ceona Pte.Ltd Group incurred a loss of US\$ 184.190 million (2013: US\$ 50.063 million), and the current liabilities of the Group exceeded the current assets by US\$ 12.242 million (in 2013 the current assets exceeded the current liabilities by US\$ 50.063 million).

In considering the going concern basis for preparing the financial statements, the directors have considered the Group's strategy and objectives, risks and uncertainties in achieving its objectives and its likely mitigating actions should conditions require such actions to be pursued.

In view of adverse conditions prevailing in the charter market, the directors believe it will be necessary either to sell the vessels owned by the Group's subsidiaries or to sell the shares of the vessel-owning subsidiaries in order for the new owners to provide fresh capital. Until this is achieved, the directors intend to continue chartering the vessels at a rate sufficient to meet operating expenses, failing which it will resort to temporary storage solutions such as cold- or warm-stacking.

The Group meets its funding requirement through equity finance from its shareholders and bank borrowings. In view of the fact that the immediate holding company, Ceona Investments Ltd, entered administration on 16 September 2015, together with a number of other subsidiaries of Ceona Holding Ltd, the Group can no longer rely upon support from its shareholder. Further, all intercompany receivables from entities in administration have been fully impaired in these financial statements.

Following negotiations with its lenders, on 26 November 2015 the Group reached a new agreement under which the lenders have confirmed their support for the continued trading of OIG Giant I Pte Ltd and OIG Giant II Pte Ltd in the ordinary course of business, and confirm they are prepared to provide appropriate funding by way of release of restricted funds from the fixed charge bank accounts of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

2. Basis of accounting (continued)

Going concern assumption (continued)

The Group's cash flow forecasts indicate that the access to those funds will enable the Group to continue to operate as a going concern for the foreseeable future, at least until the end of April 2017. This forecast is subject to risks, and in particular to the continued availability of the funding provided by the Group's lenders. While the lenders have indicated their support for the continued trading of the Group to allow for the negotiation of appropriate sale terms for the Group's vessels or of the shares in the Group, there is no obligation on them to continue to provide funding if they elect to adopt a different strategy. In such circumstances it would be unlikely that the Group could continue as a going concern unless alternative funding could be sourced at relatively short notice. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

3 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment of vessels and property, plant and equipment

The vessels and property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

During 2014, the Group undertook a review of the carrying amount of the vessels which indicated an impairment charge of \$93 250 million (see note 7).

Useful life of vessels

The Company's business is fairly capital intensive and the annual depreciation of the vessel forms a significant component of total costs charged to the income statement. Management reviews, and adjusts as appropriate, the useful life of the vessel at each balance sheet date in accordance with its accounting policy.

The estimated useful life of the vessels is an estimate by Management based on a variety of factors such as historical experience and expectations regarding future operations, performance and utilisation of assets. Management believes that the experience of the Company and supporting data based on market information support the view that the vessel will have an estimated useful life of up to 25 years.

A reduction in the estimated useful life of the vessels would increase depreciation expense and decrease non-current assets. There has been no significant change in the estimated useful life of the Group's vessel during the financial period.

A critical assessment was also required to confirm that the Group is a going concern, this is discussed in note 2.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

4. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for rendering of transport and accommodation support services, stated net of discounts, returns and value added taxes.

The Group recognises revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity, and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Revenue recognition on service revenues

Revenue received for the provision of a time charter, day rate contracts and other service contracts are recognised over the contract period as and when the services are rendered.

(b) Reimbursable revenue

Revenue received as reimbursement of costs incurred at the request of a client in accordance with a contract, e.g. revenues received for the purchase of supplies, personnel services and other services are recorded as revenue. The related costs are recorded as expenses in the same period.

4.2. Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease. Vessel and equipment rentals are accounted for on a straight line basis to each rent review, unless there are pre-agreed minimum increases contained in the lease and subject to lease incentives detailed below.

Where the Group has agreed minimum increases within a lease, the annual rental charge is measured as the average of the minimum rental level taken over the life of the lease.

Lease incentives, rent free periods and capital contributions are amortised to the income statement over the life of the lease on a straight line basis.

4.3. Borrowing costs

Interest-bearing loans are recorded at the proceeds received, net of direct issue costs plus accrued interest less any repayments, and subsequently stated at amortised costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in net income or loss in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

4 Significant accounting policies (continued)

4.4. Income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

4.5. Vessels and other property, plant and equipment

Vessels and property, plant and equipment are stated at historical cost less depreciation and any recognised impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment under construction are stated at cost, less any recognised impairment loss. Historical cost includes expenditure that is directly attributable to the construction of the items. Depreciation commences when the assets are ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows.

Vessels	25 years
Specialised Equipment	10-20 years
Office Equipment	3-10 years

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

4 Significant accounting policies (continued)

4.5. Vessels and other property, plant and equipment (continued)

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other gains' in the income statement

4.6. Impairment of assets

Assets are subject to impairment reviews whenever changes in events or circumstances indicate that an impairment may have occurred. Assets are written down to the higher of fair value less costs to sell and value in use. Value in use is calculated by discounting the expected cash flows at an appropriate rate for the risks associated with that asset. This includes estimates of both the expected cash flows and an appropriate discount rate which uses assumptions and estimates of the future performance of the asset. Differences between expectations and the actual cash flows may result in differences in impairment levels.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of the impairment loss for an asset is recognised in the profit or loss.

4.7 Inventories

Inventories comprise mainly of materials and fuel oil remaining on board the vessels, spares and other consumables. Inventories are valued at the lower of cost or net realisable value.

Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

4.8 Trade and other receivables

Trade and other receivables are initially recognised at their fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

The Group assesses at each balance sheet date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

4 Significant accounting policies (continued)

4.8 Trade and other receivables (continued)

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate

These assets are presented as current assets except for those that are expected to be realised later than 12 months after the balance sheet date, which are presented as non-current assets

4.9. Trade and other payables

Trade and other payables represent unpaid liabilities for goods and services provided to the Group prior to the end of the financial period. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest rate method.

4.10. Borrowings

Borrowings are initially recognised at their fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit and loss over the period of the borrowings using the effective interest rate method.

Interest-bearing loans are recorded at the proceeds received, net of direct issue costs plus accrued interest less any repayments, and subsequently stated at amortised costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in net income or loss in the period in which they are incurred.

4.11. Cash and cash equivalents, and restricted cash

Cash and cash equivalents comprise cash balances and deposits with a maturity of three months or less. For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts.

Restricted cash comprises bank balances which are pledged in favour of the Group's lenders, and to those minimum bank balances that are required to be maintained under loan covenant agreements. Restricted cash is classified as a non-current asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

4 Significant accounting policies (continued)

4.12. Currency translation

The financial statements are presented in United States Dollar ("USD"), which is the functional currency of the Group

Transactions in a currency other than USD ("foreign currency") are translated into USD using the exchange rates at the dates of transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Non-monetary items measured at fair values in foreign currency are translated using the exchange rates at the date when the fair values are determined. Currency translation differences on these items are included in the fair value reserve.

Foreign exchange gains and losses that relate to borrowings are presented within 'Other gains'.

4.13 Provisions

Provisions are recognised when

- (a) The Company has a present legal or constructive obligation as a result of past events,
- (b) It is probable that an outflow of resources will be required to settle the obligation, and
- (c) The amount has been reliably estimated.

Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. Where discounting is used, the increase in the provision due to passage of time is recognised as an interest expense.

4.14. Exceptional Items

Items which are both material and non-recurring as judged by management, are presented as exceptional items within their relevant income statement lines. The separate reporting of exceptional items helps provide a better indication of underlying performance of the Company.

Examples of items which may be recorded as exceptional items are

- Profit / Loss on disposal of assets,
- Impairment charges relating to vessels and other non-current assets
- Impairment of receivables from group entities in administration
- Restructuring and integration costs

4.15 Share capital

Ordinary and preference shares are classified as equity. Redeemable preference shares which are classified as redeemable at the option of the Group and have discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

CEONA PTE. LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

5 Non-GAAP financial information

Earnings before interest, tax, depreciation and amortisation ("EBITDA")

The Group believes that EBITDA is a useful measure to provide shareholders and other stakeholders with a means to evaluate the underlying performance of the Group's operations. This measure excludes exceptional items. It is not intended to be a substitute for, or superior to, FRS measurements of profit.

		<u>Group</u>	
		2014	2013
			(Unaudited)
	Note	US \$'000	US \$'000
Revenue		20,065	87,924
EBITDA		38	17,042
Depreciation	12	(10,399)	(17,579)
Exceptional items	7	(179,681)	(43,917)
Other (losses)/gains	8	9,728	(4,241)
Finance costs	10	(2,010)	(2,686)
Finance income	9	68	1,528
Loss before tax		(182,256)	(49,853)
Taxation	13	(1,934)	(210)
Loss after tax		(184,190)	(50,063)

6. Revenue

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Vessel charters	20,065	87,924

CEONA PTE LTD AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

7 Exceptional items

Items which are both material and non-recurring as judged by management, are presented as exceptional items within their relevant income statement lines. The separate reporting of exceptional items helps provide a better indication of underlying performance of the Group.

Examples of items which may be recorded as exceptional items are

- Profit / Loss on disposal of assets,
- Impairment charges relating to vessels, investments and other non-current assets
- Impairment of receivables from group entities in administration
- Restructuring and integration costs

Net exceptional charges totalling \$179.681 million were recorded by the Group in 2014 (2013 \$43.917 million). The items are discussed below

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Impairment of vessels and equipment	93,250	23,798
Impairment of receivables from Group undertakings in administration	87,034	-
Termination of ship management agreement	(603)	4,665
Impairment of investments in subsidiaries	-	17,651
Reorganisation costs	-	(1,500)
Release of contingent consideration	-	(697)
	<u>179,681</u>	<u>43,917</u>

Exceptional items are classified in the income statement as follows

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Cost of sales	92,647	28,463
Administrative expenses	87,034	15,454
Exceptional loss for the year for continuing operations	<u>179,681</u>	<u>43,917</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

7. Exceptional items (continued)

Impairment of vessels

During 2014, the Group undertook a review of the carrying amount of the vessels which indicated an impairment charge of \$93 250 million (2013: \$23.798 million). The resulting carrying amount of the vessels is \$76 063 million (2013: \$124 688 million). The 2014 valuation was determined on the basis of the gross debt secured on the vessels less pledged cash as at 31 December 2014. In the view of the Directors, this represents the value of the offshore light construction vessels in the prevailing market.

Provision for impairment of receivables from group entities in administration

The Group has recorded a provision for uncollectible receivables from related parties which entered administration on 16 September 2015, for a total of \$87 034 million (of which \$66 922 million is provided in the accounts of the Company).

Termination of ship management agreement

A provision was established by a Group company in 2013 in respect of the cost associated with the termination of a ship management agreement. The amount of the provision was greater than the actual expenses incurred, and \$0 603 million was released in 2014 (2013: \$3 445 million charge).

Impairment of investments in subsidiaries

Impairments totalling US\$ 58 082 million (2013: US\$ 17 651 million) have been recorded in respect of the Company's investments in its two vessel-owning subsidiaries. This reflects the substantial asset impairments that were recorded in the subsidiaries' accounts, in view of the adverse market conditions facing the offshore services industry.

8. Other gains & losses

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Foreign exchange gains/(losses) - net	9,243	(4,830)
Fair value gain on derivative financial instruments	485	526
	<u>9,728</u>	<u>(4,304)</u>

CEONA PTE. LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

9 Finance income

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Interest income	68	1,528
	<u>68</u>	<u>1,528</u>

10 Finance costs

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Interest expense - Term loans	(1,277)	(2,512)
Charge resulting from discounting of non-current receivables	(733)	-
	<u>(2,010)</u>	<u>(2,512)</u>

11. Employee benefit expenses

The Group no longer has any employees

CEONA PTE LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

12. Loss before income tax

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Loss before income tax is stated after charging.		
<u>Cost of sales</u>		
Vessel operating expenses	9,562	17,082
Project operating expenses	2,309	52,989
Vessel management charges	608	1,433
Impairment of vessels and equipment (Note 7)	93,250	23,798
	<u>105,729</u>	<u>95,302</u>
 <u>Administrative expenses</u>		
Exceptional Items included in administrative expenses (Note 7)	87,034	15,454
Provision for doubtful debts (Note 15)	6,531	3,915
Depreciation of vessels (Note 17)	10,204	10,484
Depreciation of other property, plant & equipment (Note 18)	195	195
Professional services	255	35
Pension costs	-	24
Training costs	29	19
Insurance - office related	24	65
Bank charges	17	10
Other administrative expenses	89	5,061
	<u>104,378</u>	<u>35,262</u>
 Total costs and expenses	<u>210,107</u>	<u>130,564</u>

13. Taxation

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Loss before tax	(182,256)	(49,853)
Tax charge	(1,934)	(210)
Loss after tax	<u>(184,190)</u>	<u>(50,063)</u>

CEONA PTE. LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

13 Taxation (continued)

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Current income tax charge	2,051	217
Adjustments in respect of prior years	(117)	(7)
Total current tax charge	1,934	210

Factors affecting the tax charge

The tax assessed for the year differs from the theoretical amount that would arise using the blended rate of income tax of 21.45% (2013: 21.17%). The differences are explained below

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Loss before taxes	(182,256)	(49,853)
Expected tax credit calculated at tax rate of 21.45% (2013: 21.17%).	(39,094)	(10,554)
Tax effects of:		
- Income not subject to tax	(44)	(1,529)
- Losses not subject to tax	40,246	5,393
- Expenses not deductible for tax purposes	894	4,475
- Non-recognition of tax losses	-	2,561
- Other	49	(129)
- Adjustments in respect of prior years	(117)	(7)
Tax charge	1,934	210

The Group's tax charge is determined by applying the statutory rate to the net income earned in each of the jurisdictions in which it operates and has been reconciled to a blended tax rate for the fiscal year 2014 of 21.45% (2013: 21.17%).

The Company is resident in the United Kingdom ("UK") for tax purposes. The UK Finance Act 2013, which received Royal Assent on 17 July 2013, included legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014 and to further reduce the main rate of corporation tax from 21% to 20% effective 1 April 2015.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

13. Taxation (continued)

The Company has a clearance from Her Majesty's Revenue and Customs ("HMRC") that the relevant shipping profits of the Group will be subject to the beneficial "UK" Tonnage Tax regime from 30 April 2013. Thus, the profits earned by the Group in the 2014 year shall be subject to UK corporation tax by reference to the net tonnage of the ships operated by the Group for income which is subject to taxation based on net operation of ships. Other profits of the Group are taxable in the normal way.

There is no deferred tax arising in relation to the Group's property, plant and equipment as the tax base does not differ from the net book value and is not expected to whilst the Group's shipping operations are within the UK Tonnage Tax regime.

The Company has an unrecognised deferred tax asset of \$ 8.3 million (2013: \$ 8.3 million) in relation to tax losses of \$ 48.9 million carried forward as at 31 December 2014 (2013: \$ 48.9 million). These have not been recognised as at 31 December 2014 as the timing of expected future profits indicates that they will not be utilised in the near future.

14. Cash at bank and restricted cash

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	(Unaudited)			
	US \$'000	US \$'000	US \$'000	US \$'000
Cash at bank and in hand	2,524	7,381	42	3,134
Restricted bank deposits	13,938	15,135	5,000	5,000

CEONA PTE LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

15. Trade and other receivables

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	(Unaudited)			
	US \$'000	US \$'000	US \$'000	US \$'000
Current.				
Trade receivables - subsidiaries	-	-	-	4,845
Trade receivables - related parties	-	95,641	-	-
Trade receivables - non-related parties	10,277	11,734	7,907	11,632
Less provision for impairment	(7,528)	(3,915)	(7,528)	(3,916)
	2,749	103,460	379	12,561
Non-current:				
Trade receivables - non-current	2,918	-	2,918	-
Less provision for impairment - non-current	(2,918)	-	(2,918)	-
	-	-	-	-
Trade receivables - net	2,749	103,460	379	12,561
Value added tax receivables	106	100	6	12
Loans to subsidiaries	-	-	-	91,641
Other	28	363	(4)	71
	2,883	103,923	381	104,285

All receivables are unsecured, non-interest bearing and repayable on demand. Uncollectible receivables from related parties which entered administration on 16 September 2015 have been fully written off, for a total of \$87.034 million (of which \$66.922 million in the accounts of the Company), and are excluded from the above table.

Balances due to and from wholly-owned subsidiaries of the Company are fully eliminated in the Group financial statements. In the Company financial statements, only the net balance payable to or receivables from all subsidiaries is disclosed. As at 31 December 2014, a net balance of \$27,624 million (see Note 19) was owned to subsidiaries (2013: \$4,845 million receivable).

The non-current and current trade receivables from non-related parties include overdue invoices from two charter customers, totalling \$10,825 million. Of this total, \$2,918 million is classified as non-current as the customers have requested extended payment terms which would result in collection more than 12 months after the balance sheet date.

The non-current and current trade receivables from non-related parties include overdue invoices from two charter customers, totalling \$10,825 million. Of this total, \$2,918 million is classified as non-current as the customers have requested extended payment terms which would result in collection more than 12 months after the balance sheet date.

CEONA PTE. LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

16. Inventories

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	(Unaudited)			
	US \$'000	US \$'000	US \$'000	US \$'000
Spare parts	1,027	-	-	-
Fuel	52	352	-	352
Oil and grease	84	-	-	-
	1,163	352	-	352

The cost of inventories charged in the year to cost of sales amounted to \$1 9 million for the Group (2013 \$1 9 million), and \$0 4 million for the Company (2013 Nil)

CEONA PTE LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

17 Vessels

	Blue Giant US \$'000	Giant II US \$'000	Total US \$'000
<u>Group</u>			
2014			
<i>Cost</i>			
Beginning of financial year	87,657	134,123	221,780
Additions	229	4,395	4,624
End of financial year	87,886	138,518	226,404
<i>Accumulated depreciation and impairment</i>			
Beginning of financial year	16,764	30,123	46,887
Depreciation charge	4,989	5,215	10,204
Impairment charge	38,695	54,555	93,250
End of financial year	60,448	89,893	150,341
<i>Net book value</i>			
End of financial year	27,438	48,625	76,063
	Blue Giant US \$'000	Giant II US \$'000	Total US \$'000
<u>Group</u>			
2013 (unaudited)			
<i>Cost</i>			
Beginning of financial year	83,681	133,290	216,971
Additions	3,976	833	4,809
End of financial year	87,657	134,123	221,780
<i>Accumulated depreciation and impairment</i>			
Beginning of financial year	5,683	6,922	12,605
Depreciation charge	4,528	5,956	10,484
Impairment charge	6,553	17,245	23,798
End of financial year	16,764	30,123	46,887
<i>Net book value</i>			
End of financial year	70,893	104,000	174,893

Certain bank borrowings of the Group are secured by mortgages on the vessels

The vessel impairment charge is discussed in note 7

CEONA PTE LTD AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

18 Other property, plant and equipment

	Specialist Equipment US \$'000	Office Equipment US \$'000	Total US \$'000
Group and Company			
2014			
<i>Cost</i>			
Beginning of financial year	13,872	587	14,459
Disposals	(13,872)	-	(13,872)
End of financial year	-	587	587
<i>Accumulated depreciation</i>			
Beginning of financial year	13,872	195	14,067
Depreciation charge	-	195	195
Disposals	(13,872)	-	(13,872)
End of financial year	-	390	390
<i>Net book value</i>			
End of financial year	-	197	197

	Specialist Equipment US \$'000	Office Equipment US \$'000	Total US \$'000
Group and Company			
2013 (Unaudited)			
<i>Cost</i>			
Beginning of financial year	13,872	482	14,354
Additions	-	105	105
End of financial year	13,872	587	14,459
<i>Accumulated depreciation</i>			
Beginning of financial year	13,872	-	13,872
Depreciation charge	-	195	195
End of financial year	13,872	195	14,067
<i>Net book value</i>			
End of financial year	-	392	392

NOTES TO THE FINANCIAL STATEMENTS



FOR THE YEAR ENDED 31 DECEMBER 2014

19 Trade and other payables

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	(Unaudited)			
<i>Current</i>	US \$'000	US \$'000	US \$'000	US \$'000
Amount due to subsidiaries	-	-	27,624	-
Amount due to related corporations	2,057	9,968	-	-
Amount due to third parties – trade	2,345	3,618	455	1,164
	4,402	13,586	28,079	1,164

Balances due to and from wholly-owned subsidiaries of the Company are fully eliminated in the Group financial statements. In the Company financial statements, only the net balance payable to or receivables from all subsidiaries is disclosed. As at 31 December 2014, a net balance of \$27,624 million was owned to subsidiaries (2013: \$4.845 million receivable – see Note 15)

CEONA PTE LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

20 Provisions for other liabilities and charges

	H&P termination US \$'000	Other US \$'000	Total US \$'000
<u>Group</u>			
2013 (unaudited)			
Beginning of financial year	-	2,219	2,219
Provision for termination fees - ship management agreement	4,665		4,665
Utilisation of provision	-	(719)	(719)
Unused amounts released during the year	-	(1,500)	(1,500)
End of financial year	4,665	-	4,665

<u>Group</u>			
2014			
Beginning of financial year	4,665	-	4,665
Utilisation of provision	(4,062)	-	(4,062)
Unused amounts released during the year	(603)	-	(603)
End of financial year	-	-	-

	Restructuring and redundancy provision US \$'000	Provisions for losses under guarantees provided to subsidiaries US \$'000	Total US \$'000
<u>Company</u>			
2013			
Beginning of financial year	1,800	-	1,800
Utilisation of provision	(300)	-	(300)
Unused amounts released during the year	(1,500)	-	(1,500)
End of financial year	-	-	-

<u>Company</u>			
2014			
Beginning of financial year	-	-	-
Provision for losses	-	35,026	35,026
End of financial year	-	35,026	35,026

CEONA PTE LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

20 Provisions for other liabilities and charges (continued)

Provisions totalling \$35 026 million were established in 2014 by Ceona Pte Ltd in respect of the losses reported in 2014 in excess of the shareholder's equity of the subsidiaries OIG Giant I Pte Ltd (\$25 792 million) and OIG Giant II Pte Ltd. (\$9 234 million). Because Ceona Pte Ltd has provided company guarantees in favour of the subsidiaries' lenders, its liability is not limited to its equity investment in the subsidiaries. The losses in question are principally attributable to the impairment charges recorded in respect of the light construction vessels owned by the subsidiaries, and are eliminated on consolidation. The provisions were released on 23 December 2015 when Ceona Pte Ltd exchanged outstanding intercompany receivables for additional redeemable preference shares with a value of \$37 021 million issued by the subsidiaries for the purpose of recapitalisation.

21 Borrowings

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Current		
Secured bank borrowings	12,877	13,709
Non-current		
Secured bank borrowings	72,123	97,291
Unsecured loan from indirect holding company	19,485	-
	<u>91,608</u>	<u>97,291</u>
Total borrowings	<u>104,485</u>	<u>111,000</u>

The maturity and interest rate profiles of borrowings based on repayment profiles or maturity are as follows

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Amounts falling due within one year	12,874	13,709
1 - 2 years	12,874	14,583
2 - 5 years	58,106	43,750
Over 5 years	20,631	38,958
	<u>104,485</u>	<u>111,000</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

21 Borrowings (continued)

The Group credit facility includes term loans totalling \$85 million. The term loans have different repayment schedules, with the final loan being repaid in full by 2021. Interest rates are based on EURIBOR and LIBOR and the term loans are denominated in Euro and USD.

The above maturity dates are based on the contractual loan agreements. Under a standstill agreement dated 26 November 2015, the lenders have agreed to suspend for the time being the repayment of outstanding principal totalling EUR 63.6 million (equivalent to \$69.8 million as at 31 December 2015). Interest on this amount continues to be paid as incurred.

During 2014 an unsecured interest free loan of \$25.0 million was received from the indirect parent company, Troll Management BV. The maturity date is fixed as 30 June, 2017. The loan is stated at its fair value of \$19.485 million, and is included in non-current liabilities. In the opinion of the directors, the terms of the loan agreement are such that the lender would not be able to enforce the loan in the foreseeable future. Specifically, the loan agreement states that loan repayments are subject firstly to the consent of the financing banks of the Company's indirect parent company (Ceona Holding Limited), which entered administration on 16 September 2015, and subject secondly to Ceona Holding Limited, on a consolidated basis, being in a position to make the necessary cash funds available to the Company.

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	(Unaudited)			
	US \$'000	US \$'000	US \$'000	US \$'000
Net Debt				
Cash in bank including non-current restricted cash	16,462	22,516	5,042	8,134
Restricted cash	(13,938)	(15,135)	(5,000)	(5,000)
Total cash and cash equivalents excluding restricted cash	2,524	7,381	42	3,134
Loans and borrowings				
Current	12,877	13,709	-	-
Non-current	91,608	97,291	-	-
Total loans and borrowings	104,485	111,000	-	-
Net debt /(net free cash)	101,961	103,619	(42)	(3,134)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

22. Deferred income taxes

At the balance sheet date, the Group has tax losses of approximately \$ 48.9 million (2013: \$48.9 million) that are available for offset against future taxable profits of the companies in the tax jurisdiction in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. The deferred tax assets arising from these tax losses amounted to \$8.3 million (2013: \$8.3 million) which are not recognised. Unrecognised gross deferred tax assets in relation to the capital allowances pool at 31 December 2014 were \$5.9 million (2013: \$5.9 million).

23. Share capital

	No. of shares		Amount	
	Ordinary shares issued	Issued redeemable preference shares	Ordinary shares issued US \$'000	Issued redeemable preference shares US \$'000
<u>Group & Company</u>				
2013				
Beginning of financial year	1	333,120	*	322,899
Issuance of redeemable preference shares pursuant to capital reorganisation	-	10,000	*	10,000
End of financial year	1	343,120	*	332,899
<u>Group & Company</u>				
2014				
Beginning and end of financial year	1	343,120	*	332,899

Each ordinary share represents US\$1 before deduction of the costs of issuance.

Redeemable preference shares ("RPS") in the Company may be issued by the directors at an issue price of US\$1.00 per RPS. All RPS in the Company shall have an entitlement to dividends, carry a right to vote at general meetings of the Company and have an entitlement to a return of capital (and all dividends declared but unpaid) in the event of the winding up of the Company, which are in all respects identical to the rights incidental to ordinary shares in the capital of the Company. The redemption of any RPS shall be determined solely by the Company. If the directors pass a resolution to approve the redemption of any RPS, the Company shall pay to the relevant holders of the RPS an amount equivalent to the aggregate issue price of the relevant RPS.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

24 Currency translation reserves

	<u>Group</u>	
	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Balance at beginning of the year	236	(8,478)
Movement	(241)	8,714
Balance at the end of the year	(5)	236

25 Contingent liabilities and capital commitments

The Group has contingent liabilities in respect of claims arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities including tax incentives enjoyed under the AIS scheme.

The Group had no capital commitments contracted for but not provided.

26. Financial Instruments

The Group has a EURIBOR interest rate swap contracted in 2013 which matures in January 2016. The notional amount of the swap is \$9.1 million (2013 \$9.1 million). The variable interest payment from a portion of the long term debt is swapped into fixed interest payments. However, the requirements for hedge accounting according to IAS 39 are not fulfilled. Consequently, the swap contract is valued at market value as at 31 December 2014 and fair value adjustments are recognised in the income statement. The mark-to-market value of the derivative as at 31 December 2014 was a liability of \$0.5 million (2013 \$1.0 million).

27 Financial risk management

The Group's activities expose it to a variety of financial risks:

- Funding and liquidity risk
- Foreign exchange risk
- Credit risk
- Cash flow interest risk
- Covenant risk
- Capital risk

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group will from time to time consider using derivative financial instruments to hedge certain risk exposures.

Risk is managed on a group basis, identifying, evaluating and hedging financial risks as deemed appropriate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

27 Financial risk management (continued)

(a) Funding and liquidity risk

The Group finances its liquidity risk by maintaining adequate short-term cash balances. The objective is to ensure that there is sufficient cash to meet the cash flow requirements of the Group for its current business plan. Group liquidity risk arises from timing differences between cash inflows and outflows. These risks are managed through agreement with the Group's lenders. These resources, together with the expected future cash flows to be generated by the business, are regarded as sufficient to meet the anticipated funding requirements of the Group for the foreseeable future.

(b) Foreign exchange risk

The Group transacts in a number of foreign currencies and as a result has foreign currency denominated revenue, expenses, assets and liabilities. The Group results are presented in USD. As a consequence, movements in exchange rates can affect profitability, the comparability of results between periods and the carrying value of assets and liabilities. Other than the USD, the major foreign currencies of the Group are the British Pound and the Euro.

The policy of the Group is to tender for projects in the same currency as the projects costs in order to protect revenues in each currency. This process of natural hedging achieves minimal exposure to the fluctuation of foreign exchange rates over the life of the project.

Where foreign currency exposures arise on projects, these are aggregated and net hedged at Group level, primarily back to USD or to match deficits or surpluses in non-USD cash flows.

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The borrowings are mainly denominated in Euro.

In considering the strategy for risk mitigation, the approved investment budgets and related cash flows, with defined currencies, are reviewed by management who may use foreign derivative contracts such as forward exchange contracts to manage the exposure. As of 31 December 2014, no forward exchange contracts had been executed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

27. Financial risk management (continued)

(c) Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a very strong credit rating are accepted. For client counterparties, management assesses the credit quality of the client, taking into account its financial position, past experience and other factors.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the balance sheet. The Group's major classes of financial assets are bank deposits and trade and other receivables.

Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks which have high credit-ratings as determined by international credit-rating agencies. Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

Financial assets that are past due and/or impaired

Impairments totalling \$61.323 million (2013: \$ nil) have been recorded in respect of net balances receivable from subsidiaries of Ceona Holding Limited which have entered administration.

(d) Cash flow and fair value interest risk

As stated in note 26, the Group has limited the interest rate exposure on its term loans through the use of an interest rate swap.

(e) Covenant risk

The Group's credit facilities are subject to meeting certain financial covenants. The Group monitors covenants on an ongoing basis with formal testing of financial covenants in line with the Company's financing agreements. The Group has been in default of those covenants, having suspended payments of interest and principal since June 2015 due to cash flow difficulties caused by reduced charter revenues and delays in collecting outstanding receivables.

In view of the fact that the indirect parent of the holding company, Ceona Holding Ltd, entered administration on 16th September 2015, together with a number of its subsidiaries, the Group can no longer rely upon support from shareholders or related parties. All intercompany receivables from entities in administration have been fully impaired in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

27 Financial risk management (continued)

(e) Covenant risk (continued)

Following negotiations with its lenders in November 2015, the Group has reached a new agreement under which certain covenants are modified, such that repayment of loan principal is deferred

In addition, the lenders have confirmed their support for the continued trading of the vessel-owning entities OIG Giant I Pte Ltd and OIG Giant II Pte Ltd in the ordinary course of business, and confirm they are prepared to provide appropriate funding by way of release of restricted funds from the Fixed Charge Accounts

Additional interest charges are incurred on overdue payments of principal and interest

(f) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and to maintain an optimal capital structure to reduce the cost of capital

Financial covenants are monitored by management. The Group is currently in default of those covenants, having suspended payments of interest and principal since June 2015

The Board of Directors monitors its capital based on net debt and total capital. Net debt is calculated as borrowings plus trade and other payables less cash and bank deposits. Total capital is calculated as equity plus net debt

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	(Unaudited)			
	US \$'000	US \$'000	US \$'000	US \$'000
Net debt / (free cash)	101,961	103,619	(42)	(3,134)
Total equity	(13,652)	170,779	(13,634)	165,297
Total capital	88,309	274,398	(13,676)	162,163

CEONA PTE. LTD AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

27. Financial risk management (continued)

(g) Fair value measurements and financial instruments by category

Carrying values, fair values and the corresponding category of the Group are stated below

	Categories	Carrying amount		Fair value	
		2014	2013	2014	2013
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		US \$'000	US \$'000	US \$'000	US \$'000
Group					
Assets					
Trade receivables	LaR	2,749	103,460	2,749	103,460
Cash and cash equivalents including restricted cash	LaR	16,462	22,516	16,462	22,516
Liabilities					
Borrowings (non-current)	FLAC	91,608	97,291	91,608	97,291
Borrowings (current)	FLAC	12,877	13,709	12,877	13,709
Trade and other payables	FLAC	4,402	13,586	4,402	13,586
Other financial liabilities	FLAC	992	785	992	785
Derivatives- interest rate swaps	FVtPL	541	1,026	541	1,026
Categories					
Loans and receivables	LaR	19,211	129,085	19,211	129,085
Liabilities at amortised cost	FLAC	109,879	125,371	109,879	125,371
Liabilities at fair value through the profit and loss- held for trading	FVtPL	541	1,026	541	1,026

The fair value of the Group's short term trade and other receivables, cash and cash equivalents, other financial assets, trade and other payables as well as short term borrowings equals their carrying amounts due to short term nature of the financial instruments

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

27 Financial risk management (continued)

(g) Fair value measurements and financial instruments by category (continued)

		Carrying amount		Fair value	
		2014	2013	2014	2013
		US \$'000	US \$'000	US \$'000	US \$'000
<u>Company</u>					
Assets					
Trade receivables	LaR	381	168,806	381	168,806
Cash and cash equivalents	LaR	42	8,134	42	8,134
Liabilities					
Trade payables	FLAC	28,079	65,685	28,079	65,685
<u>Categories</u>					
Loans and receivables	LaR	423	176,940	423	176,940
Liabilities at amortised cost	FLAC	29,424	65,685	29,424	65,685
LaR Loans and receivables					
FLAC Financial liabilities at amortised cost					
FVTPL. Fair value through profit or loss					

The fair value of the Company's short term trade and other receivables, cash and cash equivalents, other financial assets, trade and other payables as well as short term borrowings equals their carrying amounts due to short term nature of the financial instruments

CEONA PTE. LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

28. Investments in subsidiaries of Ceona Pte.Ltd

	<u>Company</u> US \$'000
2014	
<i>Cost</i>	
Beginning of financial year	137,684
Additions	49,980
End of financial year	<u>187,664</u>
<i>Accumulated impairment</i>	
Beginning of financial year	84,386
Impairment charge	58,082
End of financial year	<u>142,468</u>
<i>Net book value</i>	
End of financial year	<u>45,196</u>
2013	
<i>Cost</i>	
Beginning of financial year	140,443
Additions	17,178
Disposal	(19,937)
End of financial year	<u>137,684</u>
<i>Accumulated impairment</i>	
Beginning of financial year	66,735
Impairment charge	17,651
End of financial year	<u>84,386</u>
<i>Net book value</i>	
End of financial year	<u>53,298</u>

Impairments totalling \$ 58 082 million (2013: \$17 651 million) have been recorded in respect of the Company's investments in its two vessel-owning subsidiaries. This reflects the substantial asset impairments that were recorded in the subsidiaries' accounts, in view of the adverse market conditions facing the offshore services industry.

CEONA PTE LTD AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

28. Investments in subsidiaries of Ceona Pte.Ltd (continued)

Details of the Company's subsidiaries as at 31 December 2014 are as follows

Name	Country of Incorporation	Nature of business	Equity holding
Dockship II ApS	Denmark	Shipping	100%
Dockship IV ApS	Denmark	Shipping	100%
OIG Giant I Pte. Ltd	Singapore	Vessel owning company	100%
OIG Giant II Pte Ltd	Singapore	Vessel owning company	100%
OIG Giant III Pte Ltd.	Singapore	Former vessel owning company	100%
OIG Giant IV Pte Ltd	Singapore	Dormant and now deregistered	100%

29. Related party transactions

The principal subsidiary undertakings at 31st December 2014 are shown in note 28

Transactions between Ceona Pte Ltd and its subsidiaries have been eliminated on consolidation

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties

	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Ship management services	10	955
Certification and consultancy services	-	3
Accounting services	1	143
Health, safety and environment services	-	92
Crew costs and expenses	91	425
Rental, equipment and utilities	-	24
	102	1,642

CEONA PTE LTD. AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

29 Related party transactions (continued)

Charges from subsidiaries of Ceona Holding Limited

Expenses charged in 2014 by subsidiaries outside the Group but under the common ownership of Ceona Holding Limited are shown below.

	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Employee travel costs	1	-
Advisory committee Travel costs	1	3
Personnel costs	31	-
	<u>33</u>	<u>3</u>

Ship management - Harren and Partner Ship Management Pte Ltd ('H&P')

H&P is a subsidiary of a minority shareholder of Troll Management B V. Purchases of services from H&P in 2014 are shown below

	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Ship management services	10	955
Certification and consultancy services	-	3
Accounting services	1	143
Health, safety and environment services	-	92
Crew costs and expenses	91	425
Rental, equipment and utilities	-	24
	<u>102</u>	<u>1,642</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

29. Related party transactions (continued)

Key management personnel compensation

Key management includes Directors (executive and non-executive). The compensation paid or payable to key management for employee services was paid by other group companies except for one case where remuneration was paid to a third party service provider as shown below

	2014	2013
		(Unaudited)
	US \$'000	US \$'000
<u>Group and Company</u>		
Director's fees	8	8

30. Cash used in operations

	2014	2013
		(Unaudited)
	US \$'000	US \$'000
Loss for the year	(184,190)	(50,063)
<u>Adjustments for</u>		
- Depreciation and amortisation	10,399	17,579
- Impairment of vessels and equipment	93,250	19,309
- Impairment of investments in subsidiaries	-	17,026
- Fair value gain on derivatives	(485)	(526)
- Fair value discount on interest free borrowings	(5,515)	-
- Foreign exchange (gains) / losses	(21,757)	4,830
- Taxation	1,934	210
<u>Changes in working capital</u>		
- Inventories	(811)	290
- Trade and other receivables	101,040	(29,260)
- Trade and other payables	(9,184)	(16,627)
- Provisions	(4,665)	2,446
- Other current liabilities	105	876
Net cash used in operations	(19,879)	(33,910)

CEONA PTE. LTD AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

31 Events occurring after the balance sheet date

On 16 September 2015, the immediate parent company, Ceona Investments Limited, entered administration, together with several other group undertakings in the Ceona Holdings Limited group

Following negotiations with its lenders, on 26 November 2015 the Company and its vessel-owning subsidiaries reached a new agreement under which the lenders have confirmed their support for the continued trading of the Giant Companies in the ordinary course of business

On 23 December 2015 Ceona Pte Ltd exchanged outstanding intercompany receivables for additional redeemable preference shares with a value of \$37 021 million issued by its wholly-owned subsidiaries OIG Giant I Pte Ltd (for \$27 136 million) and OIG Giant II Pte Ltd (for \$9 886 million) for the purpose of recapitalisation

32 Immediate and ultimate holding corporation

Company's immediate holding corporation is Ceona Investment Limited (in Administration), incorporated in the United Kingdom. The ultimate holding corporation is Troll Cooperatieve U.A., incorporated in the Netherlands

33 Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Ceona Pte Ltd on 29 February 2016