

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

**Condensed unaudited consolidated interim financial information
For the three-month period ended 31 March 2017**

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

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Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Condensed unaudited consolidated interim statement of comprehensive income for the three-month period ended 31 March 2017

		Three months ended 31-Mar-17 USD'000	Three months ended 31-Mar-16 USD'000
	Notes		
Revenue	7	58,211	77,707
Cost of Revenue		(37,337)	(47,472)
Gross Profit		20,874	30,235
Administrative expenses		(6,672)	(8,689)
Other income		-	-
Profit from Operations		14,202	21,546
Finance cost - net	8	(13,865)	(14,568)
Profit / (Loss) before Income Tax		337	6,978
Income tax expense	9	(3,715)	(5,015)
Loss for the quarter		(3,378)	1,963
Add: Other Comprehensive Income		-	-
Total Comprehensive Profit / (loss) for the quarter		(3,378)	1,963
Total Comprehensive Income/ (Loss) attributable to:			
Owners of the Company		(9,056)	(4,274)
Non-controlling interest		5,678	6,237
Total Comprehensive Profit / (loss) for the quarter		(3,378)	1,963

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Condensed unaudited consolidated interim statement of financial position as at 31 March 2017

		31-Mar-17 USD'000	31-Dec-16 USD'000
ASSETS	<i>Notes</i>		
Non-current assets			
Property, plant and equipment	10	1,238,070	1,198,912
Intangible assets and goodwill	11	28,865	28,674
Long-term receivables and prepayments		11,274	930
Deferred tax asset		7,211	7,212
Total non-current assets		1,285,420	1,235,728
Current assets			
Inventories	12	6,795	5,689
Accounts receivable and prepayments	13	71,110	109,565
Due from related parties	21	14,953	16,747
Bank balances and cash	14	57,207	39,459
Total current assets		150,065	171,460
Total Assets		1,435,485	1,407,188
EQUITY AND LIABILITIES			
Equity			
Share capital	15	284,720	284,720
Share premium		46,796	46,796
Retained earnings		(33,607)	(24,551)
Total equity attributable to equity holders of the Company		297,909	306,965
Non-controlling interest		161,590	155,912
Total equity		459,499	462,877
Liabilities			
Non-current liabilities			
Term loans	17	608,452	614,996
Loan due to holding company	18	71,346	73,346
Employees' end of service benefits	19	3,559	3,529
Accounts payable and accruals	20	177,334	112,051
		860,691	803,922
Current liabilities			
Accounts payable and accruals	20	55,997	81,067
Term loans	17	30,000	30,000
Loan due to holding company	18	7,254	7,254
Due to related parties	21	-	187
Income tax payable	9	22,044	21,881
Total current liabilities		115,295	140,389
Total liabilities		975,986	944,311
Total Equity and Liabilities		1,435,485	1,407,188

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Condensed unaudited consolidated interim statement of cash flows for the three-month period ended 31 March 2017

	Three months ended	Three months ended
	31-Mar-17	30-Mar-16
	USD'000	USD'000
Profit / (loss) before income tax	337	6,978
Adjustments to reconcile profit (loss) before tax to net cash flows:		
Provision for employees end of service benefits	318	66
Loss (profit) on sale of property, plant and equipment	-	-
Finance costs (net)	13,865	14,568
Depreciation and amortization	17,075	18,173
Amortization of Mobilization costs	-	708
Operating cash flows before changes in operating assets and liabilities	31,595	40,493
Inventories	(1,105)	(8)
Accounts receivables, prepayments and other assets (including long term)	27,958	6,893
Accounts payable, accruals and other liabilities	(32,046)	5,145
Due from/to related parties	1,794	470
Cash generated from operations	28,196	52,993
Income tax paid	(3,552)	(5,119)
End of service benefits paid	(288)	(113)
Net cash flows generated from operating activities	24,356	47,761
Cash flow from Investing activities		
Purchase of property, plant and equipment	(56,140)	(15,146)
Payments for intangible assets	(285)	-
Change in Long-term payables	50,300	(226)
Net cash flows generated from (used) in investing activities	(6,125)	(15,372)
FINANCING ACTIVITIES		
Loans paid	(7,500)	(7,500)
Interest paid	(6,041)	(4,131)
Loans from parent company	-	13,000
Change in Long-term payables	15,058	-
Repayment of loan due to parent company	(2,000)	(14,025)
Net cash flows generated from financing activities	(483)	(8,525)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	17,748	19,733
Cash and cash equivalents at 1 January	39,459	55,069
CASH AND CASH EQUIVALENTS AT 31 March 2017	57,207	74,802

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Condensed unaudited consolidated interim statement of changes in equity for the three-month period ended 31 March 2017

	<i>Share capital</i>	<i>Share premium</i>	<i>Statutory reserve</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>	<i>USD'000</i>
Balance at 1 January 2016	284,720	46,796	-	101,363	432,879	141,076	573,955
Comprehensive loss for the year	-	-	-	(125,914)	(125,914)	23,836	(102,078)
Dividend paid to non-controlling interests	-	-	-	-	-	(9,000)	(9,000)
Balance at 31 Dec 2016	284,720	46,796	-	(24,551)	306,965	155,912	462,877
Comprehensive loss for the period	-	-	-	(9,056)	(9,056)	5,678	(3,378)
Balance at 31 March 2017	284,720	46,796	-	(33,607)	297,909	161,590	459,499

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017

1 GENERAL INFORMATION

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) ("the Company") is a limited liability company incorporated in Bermuda. The Company is a subsidiary of Topaz Energy & Marine Limited ("the Holding Company"), an Offshore company registered in the Jebel Ali Free Zone. The address of the registered office of the Company is P.O. Box 1022, Clarendon House, Church Street - West, Hamilton HM DX, Bermuda. The ultimate holding company is Renaissance Services SAOG, ("the Ultimate Holding Company") a joint stock company incorporated in the Sultanate of Oman.

The condensed consolidated interim financial information for the three-month period ended 31 March 2017 ("the interim financial information") comprises the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The principal activities of the Group are the provision of offshore supply vessels and other marine vessels on charter primarily to the oil and gas industry.

2 BASIS OF PREPARATION

The interim financial information has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB").

The interim financial information has been presented in United States Dollars (USD), which is the functional currency of the Company and the presentation currency of the Group. All values are rounded to the nearest thousand (USD '000') except as otherwise indicated.

The interim financial information does not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2016, which have been prepared in accordance with International Financial Reporting Standards (IFRSs).

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2016.

4 ESTIMATES

The preparation of interim financial information requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2016.

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk) credit risk and liquidity risk.

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2016.

There have been no changes in the risk management department or any risk management policies since the year end.

5.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash outflows for financial liabilities. The main characteristics of the term loans provided to the Group are described in Note 17 and 18.

5.3 Fair value estimation

Financial instruments comprise financial assets and financial liabilities.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 31 March 2017

Derivative financial instruments

	Total USD'000	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Cost USD'000
Derivative financial instruments	-	-	-	-	-

At 31 December 2016

(Audited)

Derivative financial instruments

Derivative financial instruments	-	-	-	-	-
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There were no transfers between Levels 1 and 2 during the period.

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

5.4 Fair value of financial assets and liabilities measured at amortized costs

The fair value of borrowings (including loan due to holding company) are as follows:

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Non-current	679,798	725,596
Current	37,254	37,254
	717,052	762,850

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivable
- Cash and cash equivalents (excluding bank overdrafts)
- Trade and other payables

6 SEGMENT INFORMATION

Management has determined the operating segments based on the information reviewed by chief operating decision-maker for the purposes of allocating resources and assessing performance. The Group operates in three primary geographical segments. The geographic segments are organized and managed separately according to the nature of the services provided, with each segment representing a strategic operating unit that offers different services.

Geographic segments

For management purposes, the Group is currently organized into three major geographic segments. These segments are the basis on which the Group reports its primary segmental information. These are:

- Caspian
- MENA
- Africa

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit after income tax, as included in the internal management reports that are reviewed by the chief operating decision-maker. Segment profit is used to measure performance as management believes that such information is most relevant in evaluating the results of individual segments relative to other entities that operate within these geographic segments. Inter-segment pricing is determined on an arm's length basis.

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

The following table presents segmental information about these businesses:

Three months ended 31st March 2017	Caspian	MENA	Africa	Corporate	Elimination	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Revenue	45,521	10,968	1,722			58,211
Direct costs	(22,131)	(12,908)	(3,456)	-	1,157	(37,338)
Gross profit	23,390	(1,940)	(1,734)	-	1,157	20,873
Administrative expenses	(2,815)	(1,619)	(1,074)	(1,163)	-	(6,671)
Finance cost, net	(6,723)	(2,293)	(2,153)	(2,696)	-	(13,865)
Income Tax expense	(3,164)	(382)	(169)	-	-	(3,715)
Profit for the period	10,688	(6,234)	(5,130)	(3,859)	1,157	(3,378)

Three months ended 31st March 2016	Caspian	MENA	Africa	Corporate	Elimination	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Revenue	51,104	20,227	6,376	-	-	77,707
Direct costs	(23,625)	(17,835)	(4,629)	(1,159)	(224)	(47,472)
Gross profit	27,479	2,392	1,747	(1,159)	(224)	30,235
Administrative expenses	(3,300)	(2,221)	(1,277)	(1,891)	-	(8,689)
Finance cost, net	(6,196)	(2,178)	(2,561)	(3,633)	-	(14,568)
Income tax expense	(3,584)	(836)	(595)	-	-	(5,015)
Profit for the period	14,399	(2,843)	(2,686)	(6,683)	(224)	1,963

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

7 REVENUE

	Three months ended 31 March 2017 USD'000	Three months ended 31 March 2016 USD'000
Charter and other revenues from marine vessels	58,211	76,690
Income from mobilization of marine vessels	-	1,017
	58,211	77,707

8 FINANCE INCOME AND COSTS

	Three months ended 31 March 2017 USD'000	Three months ended 31 March 2016 USD'000
Recognized in profit or loss		
Interest expense	13,905	14,916
Exchange loss	-	-
Fair value changes of derivative financial instruments	-	-
	13,905	14,916
Finance cost		
Exchange gain	40	348
Fair value changes of derivative financial instruments	-	-
Interest income	-	-
	40	348
Finance income		
Recognized in other comprehensive income		
Gain/ (loss) changes in the fair value of cash flow hedges	-	-

9 INCOME TAX

Tax expense relates to corporation tax payable on the profits earned by certain Group entities which operate in taxable jurisdictions, as follows:

	Three months ended 31 March 2017 USD'000	Three months ended 31 March 2016 USD'000
Tax expense	3,715	5,015
Income tax payable	22,044	20,270

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

10 PROPERTY, PLANT AND EQUIPMENT

	Buildings	Plant, machinery fixtures and office equipment	Marine vessels	Motor vehicles	Capital work in progress	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Cost:						
At 1 January 2017	3,958	14,515	1,731,221	989	130,585	1,881,268
Additions			3,242	91	52,801	56,134
Transfer						-
Disposals / write offs						-
At 31 March 2017	3,958	14,515	1,734,463	1,080	183,386	1,937,402
Depreciation:						
At 1 January 2017	1,072	11,715	668,608	961	-	682,356
Charge for the year	40	155	16,757	24	-	16,976
Relating to disposals/write offs	-	-	-	-	-	-
At 31 March 2017	1,112	11,870	685,365	985	-	699,332
Net carrying amount At 31 March 2017	2,846	2,645	1,049,098	95	183,386	1,238,070

Capital work in progress includes costs incurred for construction of marine vessels.

During the three months ended March 2017, the Group has capitalized borrowing cost amounting to Nil (2016: NIL).

The depreciation charge has been allocated as follows:

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Direct costs	16,757	73,373
Administrative expenses	220	949
	16,976	74,322

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

11 INTANGIBLE ASSETS AND GOODWILL

	March 2017			Dec 2016 (Audited)		
	Goodwill USD'000	Computer Software USD'000	Total USD'000	Goodwill USD'000	Computer Software USD'000	Total USD'000
At 1 January	26,174	2,500	28,674	26,174	1,069	27,243
Additions	-	285	285	-	1,481	1,481
Amortization	-	(93)	(93)	-	(50)	(50)
At 31 March/31 December	26,174	2,691	28,865	26,174	2,500	28,674
Cost (gross carrying amount)	26,174	4,334	30,508	26,174	4,049	30,223
Accumulated amortization	-	(1,643)	(1,643)	-	(1,549)	(1,549)
Net carrying amount	26,174	2,691	28,865	26,174	2,500	28,674

Amortization of intangible assets has been allocated to administrative expenses in the condensed interim statement of comprehensive income.

Goodwill comprises of the following:

- Goodwill arising from the acquisition of BUE Marine Limited with effect from 1 July 2005.
- Goodwill arising from the acquisition of Doha Marine Services WLL with effect from 8 May 2008.

Goodwill has been allocated to three individual cash-generating units for impairment testing as follows:

- BUE Marine cash-generating unit;
- Doha Marine Services cash generating unit.

Carrying amount of goodwill allocated to each of the cash-generating units is as follows:

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
BUE Marine Limited Unit	18,383	18,383
Doha Marine Services Unit	7,791	7,791
	26,174	26,174

The recoverable amount of each cash-generating unit is determined based on a value in use calculation, using cash flow projections based on financial budgets approved by senior management. The date of the last impairment testing was 31 December 2016.

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

12 INVENTORIES

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Stores, spares and consumables	6,795	5,689
Provision for slow moving inventories	-	-
	6,795	5,689

13 ACCOUNTS RECEIVABLE AND PREPAYMENTS

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Trade accounts receivable	60,034	99,099
Allowance for impairment of receivable	(4,538)	(4,538)
	55,496	94,561
Prepaid expenses	4,505	3,692
Advance to suppliers	5,455	2,768
Retention receivable	970	1,998
Other receivables	4,684	7,476
	71,110	110,495
Less: Non-current portion of deferred mobilization costs	-	(930)
	71,110	109,565

At 31 March 2017, trade receivables with a nominal value of US\$ 10,956 thousand (31 December 2016: US\$ 4,538 thousand) were impaired. Movement in the allowance for impairment of receivables were as follows:

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
At 1 January	4,538	8,627
Charge for the period	-	3,472
Amounts written off	-	(7,561)
At the end of the period	4,538	4,538

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

13. ACCOUNTS RECEIVABLE AND PREPAYMENTS (continued)

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
MENA	7,410	6,135
Caspian	43,435	81,076
Others	4,651	7,350
At the end of the period	55,496	94,561

As at 31 March 2017 and 31 Dec 2016, the ageing of unimpaired trade receivables is as follows:

		Neither past due nor impaired US\$'000	Past due but not impaired				
			<30 days US\$'000	30-60 days US\$'000	60-90 days US\$'000	90-120 days US\$'000	>120 days US\$'000
2017	55,496	40,834	5,024	2,111	2,698	4,690	108
2016	94,561	76,485	5,228	4,296	4,348	2,742	1,462

Unimpaired receivables are expected, on the basis of past experience, to be fully recoverable. It is not the practice of the Group to obtain collateral over receivables, and the clear majority are, therefore, unsecured.

14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the condensed interim statement of cash flows include the following:

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Cash at bank		
- Short term Deposits	15,000	15,000
- Current accounts	42,099	24,387
	57,099	39,387
Cash in hand	108	72
Cash and bank balances	57,207	39,459
Less: Deposits under lien	-	-
Cash and cash equivalents	57,207	39,459

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

15 SHARE CAPITAL

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Authorised		
400,000,000 shares of US\$1 each (2016: 400,000,000 shares of US\$ 1 each)	400,000	400,000
Issued and fully paid		
284,719,616 shares of US\$ 1 each (2016: 284,719,616 shares of US\$ 1 each)	284,720	284,720

16 HEDGING RESERVE

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet affected the condensed consolidated interim statement of comprehensive income.

17 TERM LOANS

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
\$350M 8.625% Senior Notes due 2018	345,545	344,903
Term loan, at LIBOR plus 2.75% p.a. repayable by April 2022	292,907	300,093
	-----	-----
	638,452	644,996
	-----	-----
Current portion	30,000	30,000
Non-current portion	608,452	614,996

The term loans are repayable as follows:

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Due within one year	30,000	30,000
Due between two to five years	489,999	489,999
Due after five years	118,453	124,997
	638,452	644,996

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

18 LOAN DUE TO ULTIMATE HOLDING COMPANY

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Term loan (refer (i) below)	78,600	80,600
Current portion	7,254	7,254
Non-current portion	71,346	73,346

- (i) This represents loans obtained from the Holding Company for the purpose of financing the acquisition of certain vessels. It also includes a subordinated loan payable in four equal instalments of USD 26 million, starting from November 2014 carrying a mark-up at the rate of 8.5% per annum compounded on a quarterly basis. During the previous year the Group has successfully refinanced the loans resulting in an extended repayment term and standard rate of interest of 8.5% per annum.

19 EMPLOYEES' END OF SERVICE BENEFITS

The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. This is an unfunded defined benefit scheme.

Principal actuarial assumptions at the reporting date are as follows:

- Normal retirement age: 60-65 years
- Mortality, withdrawal and retirement: 5% turnover rate. Due to the nature of the benefit, which is a lump sum payable on exit due to any cause, a combined single decrement rate has been used for maturity, withdrawal and retirement.
- Discount rate: 4.27% p.a.
- Salary increases: 3% - 5% p.a.

Movement in the provision is recognised in the condensed interim statement of financial position is as follows:

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Provision as at 1 January	3,529	3,868
Provided during the period	318	342
End of service benefits paid	(288)	(681)
Closing Provision	3,559	3,529

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

20 ACCOUNTS PAYABLE AND ACCRUALS

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
<i>Current</i>		
Trade accounts payables	7,758	41,055
Accrued expenses	29,023	27,297
Other payables	19,216	12,715
	55,997	81,067
<i>Non-current</i>		
Advance from customers	177,334	112,051

21 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent associated companies, major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. The Group's management approves pricing policies and terms of these transactions.

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Due from related parties		
Topaz Energy & Marine Limited – Holding Company	14,947	16,740
Directors	6	6
Tawoos	-	1
	14,953	16,747
Due to related parties		
Renaissance Services SAOG ("the Ultimate Holding Company")	-	187
	-	187

Topaz Energy and Marine Limited (formerly Nico Middle East Limited) and its subsidiaries

Notes to the condensed unaudited consolidated interim financial information for the three-month period ended 31 March 2017 (continued)

22 CONTINGENCIES AND CLAIMS

Contingent liabilities

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Letters of credit	-	-
Letters of guarantee	18,210	23,150
	18,210	23,150

These are non-cash banking instruments like bid bond, performance bond, refund guarantee, retention bonds, etc., which are issued by banks on behalf of group companies to customers/suppliers under the non-funded working capital lines with the banks. These lines are secured by the corporate guarantee from various group entities. The amounts are payable only in the event when certain terms of contracts with customers/suppliers are not met.

23 COMMITMENTS

	Three months ended 31 March 2017 USD'000	Year ended 31 Dec 2016 USD'000 (Audited)
Capital expenditure commitment:		
Purchase of marine vessels	321,384	346,841
	321,384	346,841