



**QUARTERLY REPORT**  
**3-2019**

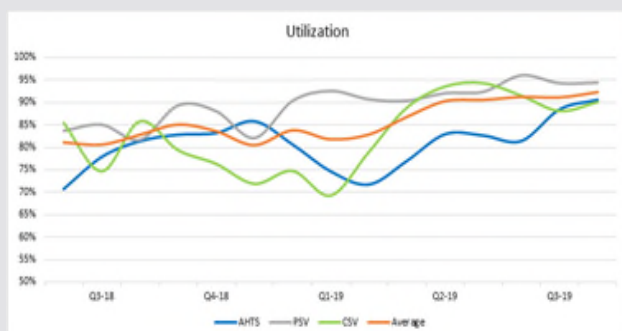
# REPORT

## 3<sup>RD</sup> QUARTER 2019

- Revenues for the third quarter of 2019 was MNOK 1,480 vs MNOK 1,404 in 2018
- Adjusted EBITDA for the third quarter was MNOK 504 vs MNOK 431 in 2018
- Equity per September 30th negative with MNOK 2,657
- The Company experiences a positive effect from having a large and versatile fleet of vessels, leading to numerous contract awards world-wide
- The activity level in the market shows some signs of improvement, but a challenging winter season is expected in the North Sea
- Agreement with the majority of financial creditors to suspend and defer payments of principal and interest extended until March 31th, 2020

### THE COMPANY

Solstad Offshore ASA ("the Company") is a world leading owner and operator of offshore service vessels. As per September 2019, the Company owns and/or operates a fleet of in total 136 vessels. The fleet is divided into the following categories: 33 CSVs, 44 AHTS, 59 PSVs. The Company had 83 vessels in operation at the end of 3Q 2019; 22 CSVs, 21 AHTS, 40 PSVs and in addition 3 vessels on management. The overall utilization for the operational fleet (non-layup) was in 3Q 2019 90% an improvement from 81% in 3Q 2018. The subsea CSV fleet had utilization of 90% (82%), 87% (77%) for the AHTS fleet and 95% (84%) for the PSV fleet.



### FINANCIAL SUMMARY

Operating income for 3Q 2019 amounted to MNOK 1,480 compared to MNOK 1,404 (3Q 2018). Revenues per September 2019 was MNOK 3,998 compared MNOK 3,638 in 2018, this is an improvement of MNOK 360 compared to last year. The increase is mainly related to higher activity in the North Sea.

Operating expenses in 3Q 2019 amounted to MNOK 1,008, of which MNOK 843 are classified as vessel operating expenses. Compared to 3Q 2018 vessel operating expenses decreased by MNOK 26. Operating result before depreciation was MNOK 472 in 3Q 2019 compared to MNOK 330 in 3Q 2018. Administrative expenses for 3Q 2019 was MNOK 99, compared to MNOK 100 for 3Q 2018.

EBITDA adjusted was MNOK 504 in 3Q 2019 compared to MNOK 431 for 3Q 2018. Adjusted EBITDA per September 2019 was MNOK 1,160 vs MNOK 770 in 2018, this is an improvement of MNOK 390 compared to last year.

As a result of impairment testing, 9 vessels was written down with total MNOK 250 in 3Q 2019.

During the quarter, and compared to the beginning of the year, the currency exchange rate for USD versus NOK has strengthen significantly. As a result, there is a negative currency effect relating to the Company's debt of MNOK 441 for 3Q 2019 and MNOK 311 per September 2019.

Ordinary result before taxes for 3Q 2019 was negative MNOK 998 compared to negative MNOK 1,297 for 3Q 2018.

Total booked equity at the end of the period was negative MNOK 2,657.

### FINANCE

In light of a challenging market situation and a difficult financial situation, the Company have carried out discussions with their financial creditors with a view to establish a long-term financial platform.

The Company has agreement in place for certain financial creditors to extend the Suspension until 31 March 2020, subject to agreed milestones being met throughout the suspension period. The process involves the stakeholders expected to be affected.

The bondholders of the Company bond issue with ISIN NO 001 0713548 have agreed to a suspension of the payments under such bond issue until 20 December 2019. The Company will request an extension of such suspension beyond 20 December 2019, in order to match the suspension period for the bond

issue with that of the Suspension. Some of the entities in the Solship Invest 1 AS silo will request their financial creditors to approve similar suspensions with effect from 1 January 2020. Alongside the agreed extension, Solship Invest 3 AS upholds its unilateral suspension of debt servicing towards its one creditor that did not agree to the initial Suspension.

However, the implemented measures are temporary only, and the Company has since second half of 2018 been working together with its financial creditors to find a long-term solution to its financial challenges. If a long-term solution could be reached, this is expected to involve a comprehensive restructuring of the Company, including a potential significant dilution of the shareholders.

This interim report is prepared on the assumption of a going concern. However, the Company's and the Group's financial situation is unsustainable as equity is negative and liquidity is under pressure. The long-term viability of the Company's and the group's business depends on the Company finding a solution to its financial situation. The Company is in discussions with its key creditors, and the going concern assumption is based on the board's view that the Company's efforts in this respect have a possibility of success. A solution is expected to involve a comprehensive restructuring of the Company's balance sheet. The outcome of the discussions and the going concern assumption is nevertheless subject to material uncertainty. If the discussions are not successful, and in the event the Group should be forced to realize its assets, there is a risk that these will be realized at a significantly lower value than their carrying amount, as value in use is higher than estimated sales values for several of the vessels. For further information, please see Annual Report 2018 Note 1, 2, 4 and 29.

## CASH FLOW AND CASH POSITION

During 3Q 2019, the overall cash position of the Company increased from MNOK 802 to MNOK 1,033. The Net cash flow from operations was positive MNOK 451 for 3Q 2019. Net cash flow from investments was negative MNOK 22. Net interest paid to lenders was MNOK 98, and net installments paid to lenders were MNOK 130 during the quarter. Positive currency fluctuations of MNOK 30 due to NOK/USD exchange rate.

## SALE OF VESSELS

The Company has sold the AHTS Far Saltire (built 2002). Delivery of the vessel to the new owner took place September 18th, 2019.

Further the Company has sold the PSV Far Star (built 1999). Delivery of the vessel to the new owner took place August 6th, 2019.

The sale of the vessels will have an immaterial accounting effect for 3Q 2019.

## OUTLOOK

The company see some increase in the global offshore activity, which can impact the demand for offshore vessels positively, but with seasonal variations.

The large number of vessels that are in lay-up, globally, might continue to put pressure on achievable rate-levels. But, the combination of specification, age, condition and activation cost will probably make a substantial part of this fleet irrelevant for future contracts within offshore.

The Company's backlog per 3Q 2019 is approximately MNOK 6,500, whereof approximately MNOK 800 is for execution in 4Q 2019.



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Since the start of 3Q 2019 and up to 28.11.19, the Company has secured numerous contracts world-wide in all vessel-segments. The Company experiences a competitive edge having a versatile fleet of vessels that can serve the full range of client needs in most geographical markets. The approximate value of the contracts secured in this period is MNOK 2,500. A large portion of this is not included in the company backlog per 30.9.19.

#### RISK

The Company is exposed to market, commercial, operational, liquidity and financial risks that affect the assets, liabilities, available liquidity and future cash flows. Given the difficult market situation within the offshore industry, the Company considers that these risks are high. There is established a risk mitigation framework based on identifying, assessing and managing risks, including plans and procedures in order to handle risk. The Company work to improve its risk management framework.

Market and operational risks are changes in demand for and prices of services provided by the Company, and potential adverse effects of the provision of such services. The Company evaluates measures to reduce risk exposure as mentioned above. Since 2014, following the significant drop in oil prices, market volatility has been high. This has resulted in increased uncertainty in the oil and gas sector, which also affects the Company's counterparties. Furthermore, the increased uncertainty also affects the valuation of the Company's assets, and The Company is therefore exposed to increased risk in this respect.

The Company is exposed to interest rate and currency risk, primarily through long-term financing and long-term contracts.

The Company is in a challenging financial position and has implemented measures to preserve liquidity. The cash position of the group is being monitored closely. The long-term viability of the Company will require the establishment of a long-term financial platform. The Company is in discussions with the financial creditors of the group to secure such a platform, but it is not certain that a solution can be reached.

#### SUBSEQUENT EVENTS

The Company has entered into an agreement to sell its remaining shares (approx. 20%) in part owned DESS Aquaculture Shipping AS (DESS Aqua) to a company affiliated with Hemen Holding Ltd.

The sale of the shares in DESS Aqua will have a positive accounting effect of approximately MNOK 50, to be booked in 4Q 2019. The sale will have limited cash effect and reduce the Company's debt with approximately MNOK 280.

Solstad will continue to operate the vessels in the DESS Aqua fleet.

After the quarter Company has sold the PSV Far Swift (UT 755 built 2003). Delivery of the vessel to the new owner took place October 31st, 2019. The sale of the vessels will have a minor positive accounting effect for 4Q 2019

#### THE COMPANY AND ITS SHAREHOLDERS

As of today, Solstad Offshore ASA has 10,659 shareholders, and approximately 16% of the shares are owned by foreign shareholders.

The Company's market value at Oslo Stock Exchange is MNOK 248.

#### Board of Directors in Solstad Offshore ASA Skudeneshavn 28.11.2019



Harald Espedal  
Chairman



Ellen Solstad  
Director



Toril Eidesvik  
Director



Frank O. Reite  
Director



Merete Haugli  
Director



Harald Thorstein  
Director



Lars Peder Solstad  
CEO



# CONDENSED STATEMENT OF COMPREHENSIVE INCOME

(NOK 1,000)

	Note	Unaudited 2019 01.07-30.09	Unaudited 2018 01.07-30.09	Unaudited 2019 01.01-30.09	Unaudited 2018 01.01-30.09	Audited 2018 01.01-31.12
<b>Operating income</b>	<b>2,3,4</b>	<b>1,480,268</b>	<b>1,403,819</b>	<b>3,998,169</b>	<b>3,637,922</b>	<b>4,910,095</b>
Vessel operating expenses		-909,233	-935,162	-2,663,496	-2,698,154	-3,852,075
Administrative expenses		-98,702	-99,648	-312,970	-338,332	-481,791
Operating lease vessels		0	-39,094	0	-114,356	-154,014
<b>Total operating expenses</b>	<b>4</b>	<b>-1,007,935</b>	<b>-1,073,903</b>	<b>-2,976,466</b>	<b>-3,150,842</b>	<b>-4,487,880</b>
<b>Operating result before depreciations</b>	<b>3</b>	<b>472,332</b>	<b>329,915</b>	<b>1,021,703</b>	<b>487,081</b>	<b>422,215</b>
Ordinary depreciation	5	-335,792	-350,648	-1,090,010	-1,063,242	-1,436,083
Impairment	5	-252,741	-850,000	-279,741	-850,000	-2,896,000
Net gain/ loss on sale of assets		2,278	-315	-266	-62,160	-63,199
<b>Operating result</b>		<b>-113,923</b>	<b>-871,048</b>	<b>-348,313</b>	<b>-1,488,322</b>	<b>-3,973,066</b>
Result from Joint Ventures	7	-3,315	6,649	14,451	-5,903	-13,906
Result from associated companies	7	15,180	9,666	31,433	28,325	35,185
<b>Total other items</b>		<b>11,866</b>	<b>16,316</b>	<b>45,884</b>	<b>22,422</b>	<b>21,280</b>
Interest income		7,259	1,722	12,076	5,624	12,271
Realised currency gain/ -loss		14,161	-12,257	14,246	-32,974	-30,035
Unrealised currency gain/ -loss		-441,109	-17,034	-310,612	-26,567	-352,037
Interest charges		-461,998	-383,357	-1,273,737	-1,065,463	-1,454,854
Net financial charges / -income		-13,892	-30,933	-26,241	-33,615	-65,423
<b>Net financing</b>		<b>-895,578</b>	<b>-441,859</b>	<b>-1,584,268</b>	<b>-1,152,995</b>	<b>-1,890,078</b>
<b>Ordinary result before taxes</b>		<b>-997,635</b>	<b>-1,296,591</b>	<b>-1,886,697</b>	<b>-2,618,895</b>	<b>-5,841,865</b>
Taxes ordinary result	9	-7,458	-9,562	10,650	-21,744	-45,865
<b>RESULT</b>		<b>-1,005,093</b>	<b>-1,306,153</b>	<b>-1,876,047</b>	<b>-2,640,639</b>	<b>-5,887,730</b>
<b>Other comprehensive income:</b>						
Exchange differences on translating foreign operations		3,518	19,360	38,803	152,453	100,716
Available-for-sale financial assets		0	73	0	2,097	549
Actuarial gain/ loss		0	0	0	0	10,096
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-1,001,576</b>	<b>-1,286,721</b>	<b>-1,837,244</b>	<b>-2,486,089</b>	<b>-5,776,369</b>
<b>Result attributable to:</b>						
Non-controlling interests		1,774	-2,307	1,271	-9,519	-29,536
Majority share		-1,006,867	-1,303,846	-1,877,318	-2,631,120	-5,858,194
Earnings per share		-3.45	-4.48	-6.44	-9.06	-20.20
<b>Other comprehensive income attributable to:</b>						
Non-controlling interests		1,774	-2,307	1,271	-9,519	-29,536
Majority share		-1,003,349	-1,284,413	-1,838,515	-2,476,570	-5,746,834
Other comprehensive income per share		-3.44	-4.42	-6.30	-8.53	-19.82
<b>EBITDA adjusted</b>	<b>3,4</b>	<b>504,220</b>	<b>430,790</b>	<b>1,160,499</b>	<b>770,474</b>	<b>1,009,422</b>
Average number of shares (1,000)		291,407	291,407	291,407	291,407	291,407

# CONDENSED STATEMENT OF FINANCIAL POSITION

(NOK 1,000)

	Note	Unaudited 2019 30.09	Unaudited 2018 30.09	Audited 2018 31.12
<b>ASSETS</b>				
<b>Fixed Assets:</b>				
Intangible assets		103,172	290,466	210,390
Tangible fixed assets	5	23,751,250	29,213,193	27,516,079
Right-of-use assets	6	3,936,257	0	0
Investment in associated companies and Joint Ventures	7	687,731	638,260	646,149
Financial fixed assets		257,618	285,118	226,683
<b>Total fixed assets</b>		<b>28,736,028</b>	<b>30,427,037</b>	<b>28,599,301</b>
<b>Current Assets:</b>				
Stocks		147,184	158,134	170,186
Accounts receivables		1,126,020	1,130,967	926,813
Other receivables		569,736	468,903	555,045
Market based shares		8,826	13,770	11,907
Deposits, cash, etc	8	1,032,807	1,330,130	1,351,346
<b>Total current assets</b>		<b>2,884,572</b>	<b>3,101,904</b>	<b>3,015,297</b>
Assets held for sale	5	3,593	92,707	0
<b>TOTAL ASSETS</b>		<b>31,624,193</b>	<b>33,621,649</b>	<b>31,614,598</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity:</b>				
Paid-in equity		4,602,782	4,602,782	4,602,782
Other equity		-7,263,435	-2,148,911	-5,455,881
Non-controlling interests		3,698	22,443	2,427
<b>Total equity</b>		<b>-2,656,955</b>	<b>2,476,314</b>	<b>-850,672</b>
<b>Liabilities:</b>				
Long-term provisions		265,526	547,532	606,464
Other long-term debt	8	15,552	573,730	97,779
Debt to credit institutions	8	5,193,357	20,828,195	4,091,651
<b>Total long-term debt</b>		<b>5,474,435</b>	<b>21,949,457</b>	<b>4,795,894</b>
Current portion of long-term debt	8	26,888,828	7,611,881	25,888,722
Other current liabilities		1,917,885	1,583,996	1,780,654
<b>Total current liabilities</b>		<b>28,806,713</b>	<b>9,195,877</b>	<b>27,669,376</b>
<b>Total liabilities</b>		<b>34,281,148</b>	<b>31,145,334</b>	<b>32,465,271</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>31,624,193</b>	<b>33,621,649</b>	<b>31,614,598</b>

# STATEMENT OF CASH FLOW

(NOK 1,000)

CASH FLOW FROM OPERATIONS	Unaudited 2019 30.09	Unaudited 2018 30.09	Audited 2018 31.12
<b>Result before tax</b>	<b>-1,886,697</b>	<b>-2,618,895</b>	<b>-5,841,865</b>
Taxes payable	-1,706	-4,455	-27,151
Ordinary depreciation and write downs	1,369,750	1,913,242	4,332,083
Gain (-)/ loss long-term assets	-17,304	39,907	38,577
Interest income	-12,076	-7,833	-12,271
Interest expense	1,273,737	1,063,054	1,454,854
Effect of change in pension assets	-3,654	-2,051	-13,889
Change in value of financial instruments	30,457	-44,644	-390
Unrealised currency gain/ -loss	312,206	156,221	352,709
Change in short-term receivables and payables	-190,872	-39,943	-147,482
Change in other accruals	-311,516	356,563	1,110,334
<b>Net cash flow from operations</b>	<b>562,325</b>	<b>811,167</b>	<b>1,245,508</b>
<b>CASH FLOW FROM INVESTMENTS</b>			
Investment in tangible fixed assets	-40,229	-64,928	-65,745
Payment of periodic maintenance	-275,592	-216,187	-288,754
Consideration sale of fixed assets (vessels)	56,577	181,357	195,649
Payment of long-term receivables	-21,558	-56,465	-143,595
Received interests	7,481	6,202	10,293
Investments in other shares and holdings	0	-78,346	-71,116
Realization of shares and holdings	0	20,648	20,648
<b>Net cash flow from investments</b>	<b>-273,321</b>	<b>-207,719</b>	<b>-342,620</b>
<b>CASH FLOW FROM FINANCING</b>			
Paid interests	-324,910	-940,766	-1,283,723
Drawdown long-term debt	594,441	755,921	1,052,566
Repayment of long-term debt	-891,859	-905,507	-1,215,839
<b>Net cash flow from financing</b>	<b>-622,328</b>	<b>-1,090,351</b>	<b>-1,446,997</b>
Effect of changes in foreign exchange rates	14,786	-58,379	19,973
Net change in cash	-333,324	-486,904	-544,109
Cash at 01.01	1,351,346	1,875,413	1,875,482
<b>Cash at balance sheet date</b>	<b>1,032,807</b>	<b>1,330,130</b>	<b>1,351,346</b>

# STATEMENT OF CHANGES IN EQUITY

(NOK 1,000)

	Share capital	Treasury shares	Share premium	Other paid-in capital	Other changes	Other equity	Total majority shares	Non-controlling interests	Total equity
Equity 31.12.2018	583,065	-281	3,698,350	321,648	347,172	-5,803,053	-853,099	2,427	-850,672
IFRS 16 implementation effect	-	-	-	-	-	30,962	30,962	-	30,962
<b>Equity 01.01.2019</b>	<b>583,065</b>	<b>-281</b>	<b>3,698,350</b>	<b>321,648</b>	<b>347,172</b>	<b>-5,772,091</b>	<b>-822,137</b>	<b>2,427</b>	<b>-819,710</b>
Result	-	-	-	-	-	-1,877,318	-1,877,318	1,271	-1,876,047
Translation adjustments	-	-	-	-	38,803	-	38,803	-	38,803
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,803</b>	<b>-1,877,318</b>	<b>-1,838,515</b>	<b>1,271</b>	<b>-1,837,244</b>
<b>Equity 30.09.2019</b>	<b>583,065</b>	<b>-281</b>	<b>3,698,350</b>	<b>321,648</b>	<b>385,975</b>	<b>-7,649,409</b>	<b>-2,660,653</b>	<b>3,698</b>	<b>-2,656,955</b>

	Share capital	Treasury shares	Share premium	Other paid-in capital	Other changes	Other equity	Total majority shares	Non-controlling interests	Total equity
Equity 31.12.2017	583,065	-281	3,698,350	321,648	245,907	81,752	4,930,441	31,963	4,962,404
Result	-	-	-	-	-	-2,631,120	-2,631,120	-9,519	-2,640,639
Translation adjustments	-	-	-	-	152,453	-	152,453	-	152,453
Value changes assets available for sale	-	-	-	-	2,097	-	2,097	-	2,097
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>154,550</b>	<b>-2,631,120</b>	<b>-2,476,570</b>	<b>-9,519</b>	<b>-2,486,089</b>
<b>Equity 30.09.2018</b>	<b>583,065</b>	<b>-281</b>	<b>3,698,350</b>	<b>321,648</b>	<b>400,457</b>	<b>-2,549,368</b>	<b>2,453,871</b>	<b>22,443</b>	<b>2,476,314</b>

	Share capital	Treasury shares	Share premium	Other paid-in capital	Other changes	Other equity	Total majority shares	Non-controlling interests	Total equity
Equity 31.12.2017	583,065	-281	3,698,350	321,648	245,907	81,752	4,930,441	31,963	4,962,404
IFRS 9 implementation effect	-	-	-	-	-	-43,614	-43,614	-	-43,614
<b>Equity 01.01.2018</b>	<b>583,065</b>	<b>-281</b>	<b>3,698,350</b>	<b>321,648</b>	<b>245,907</b>	<b>38,138</b>	<b>4,886,827</b>	<b>31,963</b>	<b>4,918,790</b>
Annual result	-	-	-	-	-	-5,858,195	-5,858,195	-29,536	-5,887,730
Actuarial gain/ loss (-)	-	-	-	-	-	10,096	10,096	-	10,096
Translation adjustments	-	-	-	-	100,716	-	100,716	-	100,716
Value changes assets available for sale	-	-	-	-	549	-	549	-	549
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>101,265</b>	<b>-5,848,099</b>	<b>-5,746,834</b>	<b>-29,536</b>	<b>-5,776,370</b>
Other adjustments	-	-	-	-	-	6,907	6,907	-	6,907
<b>Equity 31.12.2018</b>	<b>583,065</b>	<b>-281</b>	<b>3,698,350</b>	<b>321,648</b>	<b>347,172</b>	<b>-5,803,053</b>	<b>-853,099</b>	<b>2,427</b>	<b>-850,672</b>



# NOTES TO CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

(NOK 1,000)

## NOTE 1 - GENERAL

Solstad Offshore ASA (SOFF) has its head office in Skudeneshavn, Norway. The main activities of the company are operation and ownership of offshore service and construction vessels. The Group is listed on Oslo Stock Exchange. The quarterly accounts are prepared using the same accounting principles as last year's accounts and in compliance with IAS 34 Interim Financial Reporting.

The Company has implemented IFRS 16 Leases as of January 1, 2019. The nature and effects of the implementation are disclosed in the notes below. Further reference is made to Note 1 to the 2018 Annual accounts.

The interim accounts are prepared on the assumption of a going concern. However, the Company's and the Group's financial situation is unsustainable as equity is negative and liquidity is under pressure. The long-term viability of the Company's and the Group's business depends on the Company finding a solution to its financial situation. The Company is in discussions with its key creditors, and the going concern assumption is based on the board's view that the Company's efforts in this respect have a possibility of success. A solution is expected to involve a comprehensive restructuring of the Company's balance sheet. The outcome of the discussions and the going concern assumption is nevertheless subject to material uncertainty. If the discussions are not successful, and in the event the Group should be forced to realize its assets, there is a risk that these will be realized at a significantly lower value than their carrying amount, as value in use is higher than estimated sales values for several of the vessels.



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# NOTES TO CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

(NOK 1,000)

## NOTE 2 - OPERATING INCOME

The Group's revenues mainly derives from offering vessels and maritime personnel to customers world wide. Basically all contracts with customers are contracts with day rate. Contract with day rate is contract where income is earned on a day-by-day basis, based on an agreed day rate with the customer. Revenue from contracts with day rate is recognized accordingly.

The agreed day rate is divided into a service element and a lease element. The service element includes the maritime services provided to navigate the vessel according to the customers requirements, while the lease element is the estimated rental of the vessel (equipment).

Some of the contracts also includes victualling and onshore project management. Victualling is meals and bedding provided to the customer's personnel onboard the vessel. The Group also provides ordinary management services, such as technical services, crewing, insurance and commercial management for vessels not owned by the Group. Revenue on services, mentioned above, is recognized over time, as the performance obligation is satisfied over time.

	2019 01.07-30.09	2018 01.07-30.09	2019 01.01-30.09	2018 01.01-30.09	2018 01.01-31.12
Service element from contracts with day rate	524,651	450,442	1,708,161	1,326,160	1,879,289
Management fee	7,468	3,596	21,179	11,087	17,667
Victualling	36,916	23,000	90,819	59,443	108,576
Project management	4,253	13,775	4,253	29,993	35,457
Other	3,373	31,290	10,102	39,248	75,039
<b>Revenue from contracts with customers</b>	<b>576,662</b>	<b>522,104</b>	<b>1,834,515</b>	<b>1,465,932</b>	<b>2,116,028</b>
Lease element from contracts with day rate	903,606	881,714	2,163,654	2,171,990	2,794,067
<b>Total operating income</b>	<b>1,480,269</b>	<b>1,403,820</b>	<b>3,998,169</b>	<b>3,637,922</b>	<b>4,910,095</b>

Contract balances	30.09.2019	30.09.2018	31.12.2018
Trade receivables from charters	1,126,020	1,130,967	926,813
Contract assets	-	-	-
Contract liabilities	34,362	46,332	32,843

# NOTES TO CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

(NOK 1,000)

## NOTE 3 - REPORTING PER SEGMENT

	Q3 2019			Q3 2018		
	AHTS/PSV	Subsea	Total	AHTS/PSV	Subsea	Total
Revenue from contracts with customers	342,794	233,867	<b>576,662</b>	269,304	252,799	<b>522,104</b>
Lease element from contracts with day rate	459,133	444,475	<b>903,607</b>	412,877	468,840	<b>881,716</b>
<b>Total operating income</b>	<b>801,927</b>	<b>678,342</b>	<b>1,480,269</b>	<b>682,181</b>	<b>721,639</b>	<b>1,403,820</b>
Crew expenses	352,093	211,485	<b>563,578</b>	362,306	204,785	<b>567,090</b>
Other expenses	258,795	163,861	<b>422,656</b>	265,519	219,320	<b>484,839</b>
<b>Total operating expenses</b>	<b>610,888</b>	<b>375,346</b>	<b>986,234</b>	<b>627,825</b>	<b>424,104</b>	<b>1,051,929</b>
Bunkers	6,485	15,218	<b>21,703</b>	13,104	8,872	<b>21,976</b>
<b>Operating result before depreciations</b>	<b>184,553</b>	<b>287,779</b>	<b>472,332</b>	<b>41,250</b>	<b>288,662</b>	<b>329,912</b>
Excess and less values freight contracts	23,666	6,728	<b>30,394</b>	35,980	12,555	<b>48,535</b>
Operating leases	-	-	<b>0</b>	39,093	-	<b>39,093</b>
Net result from Joint Venture	-	1,496	<b>1,496</b>	-	13,247	<b>13,247</b>
<b>Adjusted Operating result before depreciations</b>	<b>208,219</b>	<b>296,002</b>	<b>504,221</b>	<b>116,324</b>	<b>314,465</b>	<b>430,789</b>

	Year to date Q3 2019			Year to date Q3 2018		
	AHTS/PSV	Subsea	Total	AHTS/PSV	Subsea	Total
Revenue from contracts with customers	1,085,148	749,366	<b>1,834,515</b>	853,823	612,108	<b>1,465,932</b>
Lease element from contracts with day rate	1,068,610	1,095,045	<b>2,163,654</b>	985,580	1,186,411	<b>2,171,990</b>
<b>Total operating income</b>	<b>2,153,758</b>	<b>1,844,411</b>	<b>3,998,169</b>	<b>1,839,403</b>	<b>1,798,519</b>	<b>3,637,922</b>
Crew expenses	1,107,185	609,523	<b>1,716,707</b>	1,118,674	581,344	<b>1,700,018</b>
Other expenses	695,972	462,573	<b>1,158,545</b>	788,567	577,879	<b>1,366,446</b>
<b>Total operating expenses</b>	<b>1,803,156</b>	<b>1,072,096</b>	<b>2,875,252</b>	<b>1,907,241</b>	<b>1,159,223</b>	<b>3,066,464</b>
Bunkers	47,836	53,377	<b>101,213</b>	61,434	22,944	<b>84,378</b>
<b>Operating result before depreciations</b>	<b>302,765</b>	<b>718,939</b>	<b>1,021,704</b>	<b>-129,272</b>	<b>616,352</b>	<b>487,080</b>
Excess and less values freight contracts	80,750	29,356	<b>110,106</b>	120,603	37,664	<b>158,268</b>
Operating leases	-	-	<b>0</b>	114,355	-	<b>114,355</b>
Net result from Joint Venture	-	28,690	<b>28,690</b>	-	10,770	<b>10,770</b>
<b>Adjusted Operating result before depreciations</b>	<b>383,515</b>	<b>776,984</b>	<b>1,160,499</b>	<b>105,686</b>	<b>664,787</b>	<b>770,473</b>

Internally the Group reports and monitors its operation in the following segments:

- AHTS/PSV, anchorhandling- and platform supply vessels
- Subsea, construction vessels operating subsea construction and renewable contracts

Figures are exclusive share result from Joint Ventures.

# NOTES TO CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

(NOK 1,000)

## NOTE 4 - EBITDA

	2019 01.07 - 30.09	2018 01.07 - 30.09	2019 01.01 - 30.09	2018 01.01 - 30.09	2018 01.01 - 31.12
Net freight income	1,480,268	1,403,819	3,998,169	3,637,922	4,910,095
Excess and less values freight contracts	30,392	48,535	110,106	158,268	198,470
Freight income from Joint Ventures	9,422	19,566	56,762	35,673	33,732
<b>Total freight income</b>	<b>1,520,082</b>	<b>1,471,920</b>	<b>4,165,037</b>	<b>3,831,863</b>	<b>5,142,297</b>
Operating cost	1,007,935	1,073,903	2,976,466	3,150,842	4,487,880
Operating cost from Joint Ventures	7,926	6,320	28,072	24,902	28,934
<b>Total operating cost</b>	<b>1,015,861</b>	<b>1,080,223</b>	<b>3,004,538</b>	<b>3,175,744</b>	<b>4,516,814</b>
<b>EBITDA</b>	<b>504,220</b>	<b>391,696</b>	<b>1,160,499</b>	<b>656,120</b>	<b>625,483</b>
Operating leases	-	39,094	-	114,356	154,014
Onerous contracts	-	-	-	-	193,125
Accrual loss accounts receivable	-	-	-	-	36,800
<b>EBITDA adjusted</b>	<b>504,220</b>	<b>430,790</b>	<b>1,160,499</b>	<b>770,476</b>	<b>1,009,422</b>

In connection with the merger with Rem Offshore, Farstad Shipping and Deep Sea Supply, the purchase price allocation analysis identified several long-term freight contracts where the daily rates were higher or lower than the market rate at the time of acquisition. A part of the purchase price was thus allocated to these excess / less values and capitalized. In line with the fulfillment and revenue recognition of freight contracts, the capitalized excess / less value is derecognized. The adjustment has no cash effect, and thus comes as an addition to booked freight income when calculating EBITDA.

## NOTE 5 - FIXED ASSETS

	Vessels	Periodic maintenance	Other	Total
<b>Opening balance 01.01.2019</b>	<b>26,803,637</b>	<b>579,100</b>	<b>133,342</b>	<b>27,516,079</b>
Additions	47,351	275,592	2,189	325,132
Transferred to Right-of-use assets	-3,078,291	-	-	-3,078,291
Asset held for sale	-3,593	-	-	-3,593
Disposals	-57,060	-	-	-57,060
Translation adjustment	268,630	-9,549	-1,193	257,888
Depreciation	-722,878	-196,655	-9,632	-929,165
Impairment	-277,000	-	-2,741	-279,741
<b>Closing balance 30.09.2019</b>	<b>22,980,796</b>	<b>648,488</b>	<b>121,966</b>	<b>23,751,250</b>

Vessels are depreciated over 20 years to a residual value equal to 50% of the original cost. Initially residual value is set to 50% of cost price, expected cost of sale deducted, and adjusted for age and changes in broker valuations. The assumption is that the broker values decline by 2.5% per year, until the vessel is 20 years old. Other assets are depreciated at rates of 10-25%.

The Company has signed Memorandum of Agreement for the sale of the PSV "Far Swift". The vessel is classified as held-for-sale asset in Condensed Statement of Financial Position. Total book value is MNOK 3.6. Delivery of the vessel to the new owner took place October 31st, 2019

# NOTES TO CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

(NOK 1,000)

## NOTE 5 - FIXED ASSETS - (CONTINUED)

### Impairment testing of vessels

#### Summary

The Company has performed impairment testing of the fleet in accordance with IAS 36. Indicators such as slow market recovery and declining price/ book ratio form, according to IAS 36, the need for revaluation of the Company's assets.

Based on value-in-use-calculations the Company has recognized an impairment of MNOK 250 in 3Q 2019. In addition an impairment of MNOK 2.7 related to spare parts is recognized in 3Q 2019. Total impairment recognized year to date 3Q 2019 is MNOK 280.

#### Impairment testing

Impairment testing (value-in-use-calculation) was performed for all vessels where book value exceeds 65% of broker value. Broker value is set as an average of 3 acknowledged, independent brokers. Each vessel is considered a separate cash generating unit. The value-in-use-calculations are based on the long-term forecast for 2019-2022, prepared in September 2019.

The main assumptions used in the computations are charter rates, utilization, escalation of expenses, operational area, interest rate, weighted average cost of capital (WACC) and performance per Q3 2019 compared to forecast.

#### Discounting rate

The discounting rate is based on a common WACC for the Company. The cost of equity is derived from the 10-year interest rate for state bonds (risk-free interest rate), the Company's own market risk premium and an unlevered beta. The debt element of the discounting rate is based on the risk-free interest rate, plus the Company's average margin for secured debt, as well as a premium equivalent to the difference between risk-free interest rate and the bank's lending rates. The discounting rate used for Q3 2019 remains at 9.30%.

#### Revenue assumptions

For vessels having firm contracts, revenue is based on the current contracts. For vessels without firm contracts, and for vessels where the firm contract expires during the period, revenue is based on historical data. For the first period it is expected that the day rates for the PSV- and AHTS segment will remain low. From 2023 to 2025 it is assumed a gradual increase of revenue to a level which correspond to the average rates for the past 7-10 years. It is expected that the markets are normalized within 2025.

#### Inflation

Escalation of revenue is expected to be marginal for the coming year. Hence, it is used a low (<1%) or no inflation of revenue in 2019. Operating cost is adjusted for inflation by 2%. Inflation of revenue correspond to cost from 2023.

#### Residual values

Estimated residual values used in the value-in-use-calculations are set using the same principle as for the ordinary depreciations. Initially the value is set to 50% of cost price, expected cost of sale deducted, and adjusted for age and changes in broker valuations. The assumption is that the broker values decline by 2.5% per year, until the vessel is 20 years old.

#### Result of impairment testing

Based on the impairment test 9 vessels were written down by MNOK 250 in 3Q 2019. The impairment was divided on the following vessel types (remaining recoverable amount in parantheses): PSV MNOK 30 (MNOK 7,515), AHTS MNOK 40 (MMOK 6,333) and CSV MNOK 180 (MNOK 13,417).

#### Sensitivity and scenario calculations

The sensitivity of the value-in-use-calculations for the vessels with write-downs is analyzed by alternating the key assumptions; discounting rate, cost escalation, utilization and day rate. A change of discounting rate by 1% point and 2 % points would have resulted in a changed impairment of MNOK 445 and MMOK 1,140, respectively. A reduction in dayrate of utilization bringing the revenue down by 3-6%, will increase the write-down by MNOK 330-980. With an inflation of cost of 5% points higher, the write down would increase by approximately MNOK 300.



# NOTES TO CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

(NOK 1,000)

## NOTE 6 - RIGHT-OF-USE ASSETS

### IFRS 16 Leases

The Company implemented IFRS 16 Leases on January 1, 2019 using the modified retrospective method. Under this method comparative figures remain unchanged, while the cumulative effects of the adoption is recognized in the equity at January 1, 2019. The Company has elected to not include short term lease contracts and low value contracts while adopting the standard. This is a practical expedient allowed under the modified retrospective method.

Lessor accounting is substantially unchanged in IFRS 16 compared to IAS 17. Adoption of IFRS 16 did not have any impact for leases where the Company is lessor.

The effect of adoption of IFRS 16 as per January 1, 2019 was as follows:

<b>Assets</b>	
Right-of-use-assets	3,942,442
Tangible fixed assets	-3,078,291
<b>Total assets</b>	<b>864,152</b>
<b>Liabilities</b>	
Debt to credit institutions	1,416,710
Other long-term debt	-400,763
Other current liabilities	-182,767
<b>Total liabilities</b>	<b>833,179</b>
<b>Total adjustment on equity</b>	
<b>Other equity</b>	<b>30,962</b>

### Nature of the effect of adoption of IFRS 16

The Company has lease contracts for vessels and offices. Prior to implementation of IFRS 16 the lease contracts were classified either as operating leases or finance leases in accordance with IAS 17.

For the two leases of vessels previously classified as finance leases the Company has not changed the carrying amounts of recognized assets and liabilities. The requirements of IFRS 16 have been applied to these leases from January 1, 2019.

For leases previously accounted for as operating leases the Company has recognized Right-of-use assets and lease liabilities for all leases, except for short-term and low-value leases. The lease liabilities were recognized based on present value of all remaining lease payments. The discounting rate used ranges from 5%-9% depending on the nature of the asset.

The following practical expedients have been used for the adoption:

- single discount rate for vessel having similar characteristics
- contracts being onerous immediately prior to adoption have not been reassessed. Hence, Right-of-use assets have been adjusted by MNOK 463 accordingly
- applied the short-term leases exemption to leases ending within 12 months at the date of adoption

# NOTES TO CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

(NOK 1,000)

## NOTE 6 - RIGHT-OF-USE ASSETS - (CONTINUED)

### Reconciliation of operating lease commitments (IAS 17) to lease liabilities (IFRS 16)

Operating lease commitments IAS 17, 31.12.2018	1,697,772
Practical expedient (short-term leases)	-12,269
Effect of discounting	-268,793
Lease liability recognized at adoption of IFRS 16	1,416,710

	Right-of-use assets			Lease liabilities
	Vessels	Office	Total	
Balance 31.12.2018	0	0	0	0
Transfer from operating lease commitments	595,011	269,141	864,152	1,416,710
Transfer from finance lease commitments	3,078,291	-	3,078,291	3,010,550
Opening balance 01.01.2019	3,673,302	269,141	3,942,442	4,427,260
Translation adjustment	152,581	-2,892	149,689	61,196
Additions	-	10,153	10,153	10,153
Other adjustments	-	-5,172	-5,172	-5,172
Depreciation	-140,475	-20,370	-160,845	-
Interest expense	-	-	-	72,759
Lease payments	-	-	-	-93,184
Closing balance 30.09.2019	3,685,397	250,860	3,936,257	4,473,012

### Summary new accounting policies

#### Right-of-use-assets

Right-of-use-assets are recognized at cost, less depreciation and impairment losses at the commencement of the lease. The cost of the assets includes the recognized lease liabilities, initial direct costs, and lease payments made prior to commencement. Straight-line depreciations are used, unless the Company is reasonably certain to obtain ownership of the vessel at the end of the leasing period. The assets are subject to impairment under the same principles as other assets.

#### Lease liabilities

Lease liabilities are recognized at the commencement of the lease measured at the present value of lease payments over the lease period. The lease payments includes both fixed and variable lease payments. If a purchase option is likely to be exercised, the option price is included. Variable lease payments that do not depend on an index are recognized as expense in the period when the payment trigger occurs.

When calculating present value of the lease the incremental borrowing rate at the beginning of the lease is used, if the implicit rate is unavailable. Subsequently, the amount of the lease liability is increased to reflect the accretion of interest and reduced for lease payments made. The liability is remeasured if modifications or changes to the lease terms occur.

#### Contracts with renewal options

The Company determines the lease term as the non-cancellable part of the lease. In addition any periods covered by an option for extended lease that is reasonably certain to be exercised are included.

# NOTES TO CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

(NOK 1,000)

## NOTE 7 - INVESTMENT IN ASSOCIATED COMPANIES AND JOINT VENTURES

The Group had the following shares in joint ventures (JV) and associated companies (AC) at balance sheet date:

AC	JV
Solstad Offshore Crewing Services Philippines (25 %)	Normand Installer SA (50 %)
Maximus Limited (25 %)	
DESS Aquaculture Shipping AS (20 %)	

	AC	JV	TOTAL
<b>Opening balance</b>	<b>510,157</b>	<b>135,992</b>	<b>646,149</b>
Share of result year to date	31,433	14,451	45,884
Additions	-	-	-
Disposals	-	-	-
Other adjustments	-4,905	603	-4,302
<b>Closing balance</b>	<b>536,685</b>	<b>151,046</b>	<b>687,731</b>

Other adjustments includes received dividends and currency effects.

## NOTE 8 - INTEREST BEARING DEBT

	2019 30.09	2018 30.09	2018 31.12
Long term debt	5,208,909	21,401,926	4,189,430
Current portion of long term debt	26,888,828	7,611,881	25,888,722
<b>Total interest bearing debt (*)</b>	<b>32,097,737</b>	<b>29,013,807</b>	<b>30,078,152</b>
Bank deposits	1,032,807	1,330,130	1,351,346
<b>Net interest bearing debt</b>	<b>31,064,930</b>	<b>27,683,677</b>	<b>28,726,806</b>

Long term debt is divided as follows: 44% NOK, 49% USD, 3% GBP, 3% EUR and 1% AUD. Of total obligations, incl. IFRS 16 Leases, as per September 30, 2019 28% have fixed interest rates through CIRR/BNDES financing, interest rate hedges and fixed leasing agreements. Split with 19% related to CIRR; 5% interest swaps and 4% operational leases & SI1 bond.

Long term debt of about MNOK 25,000 have in accordance with IFRS been classified as Current portion of long term debt as per September 30, 2019, due to the standstill agreements with the banks and bond holders where the covenant waiver period is less than 12 months. The waiver period ends in December 2019 and March 2020.

\* Inclusive recognized debt relating to IFRS 16 Leases MNOK 4,473 (MNOK 0 - MNOK 0), whereof MNOK 1,122 (MNOK 0 - MNOK 0) leases to related parties, and debt to related parties MNOK 666 (MNOK 576 - MNOK 607).

# NOTES TO CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

(NOK 1,000)

## NOTE 9 - TAX EXPENSE

The Group's operations are mainly subject to Norwegian tonnage tax. Estimated tax thus consists mainly of taxes on operations conducted abroad involving sedentary, local taxation. The tax is based on the best estimate.

In April 2019 one of the companies in the Solstad silo entered into a settlement agreement with the US tax authorities (IRS) in relation to a tax audit for 2009-2011. An accrual of MUS\$ 4.7 for this potential tax claim was reversed in Q1 2019, as the Company's view that the tax should be zero was finally agreed upon with IRS in April 2019.

## NOTE 10 - ALTERNATIVE PERFORMANCE MEASUREMENT DEFINITIONS

Solstad Offshore ASA has included the below Alternative Performance Measures (APM), which are commonly used in the business, as they are used internally by management to understand the Group's financial performance. Hence, it is deemed that the APM's also will provide useful information to the reader.

**Operating margin** - Operating result before depreciation in percentages of total operating income

**EBITDA** - Operating result before depreciation adjusted for Joint Ventures and excess values charter parties from mergers

**EBITDA adjusted** - Operating result before depreciation adjusted for Joint Ventures, excess values charter parties from mergers, operating leases and other non-cash related items

**Adjusted Operating result before depreciations** - Operating result before depreciation adjusted excess values charter parties from mergers, operating leases and net result from Joint Ventures

**Earning on equity** - Result before tax, in percentage of average equity, including minority interests

**Earning on capital employed** - Operating result plus interest income and result from associated company divided by average book shareholders' equity and interest-bearing debt

**Current ratio** - Current assets divided by current liabilities

**Equity ratio** - Booked equity including minority interests in percentage of total assets

**Earnings per share** - Result for the period for the Group divided by weighted average number of shares at the end of the reporting period, adjusted for treasury shares

**Comprehensive income per share** - Comprehensive income for the period for the Group divided by weighted average number of shares at the end of the reporting period, adjusted for treasury shares

**Equity per share** - Shareholders' equity divided by outstanding number of shares at the end of the reporting period

**Working capital** - Current assets less current liabilities, excluding current portion of long-term debt

**Interest-bearing debt** - Current and long-term interest-bearing liabilities

**Net interest-bearing debt** - Interest-bearing liabilities less bank deposits

# AHTS FLEET AND EMPLOYMENT

[AT 28.11.19] For more information about each vessel visit: [WWW.SOLSTAD.COM/FLEET/AHTS-VESSELS/](http://WWW.SOLSTAD.COM/FLEET/AHTS-VESSELS/)

## EMPLOYMENT

Vessel name	Design	Year built	BHP	Employment *) at 28.11.19	4Q 19	1H - 2020	2H - 2020	2021
BOS Turmalina	UT 722 L	2006	14 416	Apr. 21 + opt.				
BOS Turquesa	UT 722 L	2007	18 088	Spot				
Far Sagaris	UT 731 CD	2009	23 664	Jan. 20				
Far Santana	UT 730	2000	19 203	Apr. 20 + opt.				
Far Sapphire	UT 732 CD	2007	27 472	Spot				
Far Saracen	UT 731 CD	2010	23 664	Aug. 20				
Far Scout	UT 722 L	2001	16 823	Aug. 20 + opt.				
Far Senator	UT 731 CD	2013	24 371	Aug. 20				
Far Sigma	UT 731 CD	2014	24 371	Spot				
Far Statesman	UT 731 CD	2013	24 371	Jan. 20				
Far Stream	UT 712 L	2006	16 005	Spot				
Far Sword	UT 712 L	2006	16 005	Spot				
Normand Drott	AH 12	2010	32 792	Spot				
Normand Ferking	VS 490	2007	20 700	Nov. 20 + opt.				
Normand Prosper	AH 12	2010	32 600	Spot				
Normand Ranger	VS 490	2010	28 000	Spot				
Normand Scorpion	UT 731 CD	2009	24 143	Feb. 23				
Normand Sirius	UT 731 CD	2014	24 371	Feb. 23				
Normand Topázio	UT 728 L	2005	12 240	Jun. 22 + opt.				

Certain freight contracts contain clauses which give the charterer the right to cancel the contract.

Contract Charterer's option Spot

## IN LAY-UP

Vessel name	Design	Year built	BHP	Vessel name	Design	Year built	BHP
Eland Laut 1	Khiam Chuan	2009	12 240	Normand Mariner	A 101	2002	23 330
Far Sabre	UT 712 L	2008	15 953	Normand Master	A 101	2003	23 478
Far Scimitar	UT 712 L	2008	15 950	Normand Neptun	UT 740	1996	18 600
Far Sound	UT 712 L	2007	16 157	Normand Titan	UT 712 L	2007	16 320
Far Sovereign	UT 741	1999	27 401	Sea Cheetah	Khiam Chuan	2007	15 000
Lady Astrid	UT 722	2003	12 240	Sea Jaguar	Khiam Chuan	2007	15 000
Lady Caroline	UT 722	2003	12 240	Sea Leopard	KMAR 404	1998	15 000
Nor Tigerfish	Khiam Chuan	2007	5 422	Sea Ocelot	Khiam Chuan	2007	10 880
Normand Atlantic	UT 740	1997	18 600	Sea Panther	KMAR 404	1998	15 000
Normand Borg	UT 722 L	2000	16 800	Sea Tiger	KMAR 404	1998	15 000
Normand Ivan	VS 480	2002	20 000				



NORMAND SCORPION - UT 731 CD



# PSV FLEET AND EMPLOYMENT

(AT 28.11.19) For more information about each vessel visit: [WWW.SOLSTAD.COM/FLEET/PSV-VESSELS/](http://WWW.SOLSTAD.COM/FLEET/PSV-VESSELS/)

## EMPLOYMENT

Vessel name	Design	Year built	DWT	Employment *) at 28.11.19	4Q - 19	1H - 2020	2H - 2020	2021
Far Scotsman	PSV 08 CD	2012	4 000	Nov 19 + opt.				
Far Searcher	UT 751 E	2008	5 127	Sep. 22 + opt.				
Far Seeker	UT 751 E	2008	4 905	May 20 + opt.				
Far Server	HY 832 CD	2010	3 735	Nov. 19				
Far Sitella	PSV 08 CD	2013	4 000	Spot				
Far Solitaire	UT 754 WP	2012	6 336	Feb. 20 + opt.				
Far Spica	PSV 08 CD	2013	4 000	Spot				
Far Swan	VS 470 Mk II	2006	3 628	Sep. 20				
Far Symphony	P 105	2003	4 929	Apr. 20 + opt.				
Normand Arctic	PSV 12 LNG	2011	4 900	Mar. 20 + opt.				
Normand Aurora	P 105	2005	4 929	Jan. 20 + opt.				
Normand Falnes	VS 485	2011	5 492	May. 22 + opt				
Normand Flipper	UT 745 E	2003	4 340	Spot				
Normand Fortune	VS 485	2013	5 275	Apr. 22 + opt.				
Normand Leader	VS 499	2013	6 164	Aug. 20 + opt.				
Normand Naley	VS 485	2011	5 506	Feb. 22 + opt.				
Normand Serenade	UT 751 CD	2009	5 944	Spot				
Normand Server	PSV 06 CD	2011	5 300	Jan. 22 + opt.				
Normand Service	PX 105	2014	4 459	Dec. 19 + opt.				
Normand Skimmer	PSV 08 CD	2012	4 000	May 20 / Spot				
Normand Skipper	VS 4420	2005	6 608	Jan. 21 + opt.				
Normand Skude	VS 485	2015	5 347	Mar 20 + opt.				
Normand Springer	PX 105	2014	4 459	Spot				
Normand Starling	PSV 08 CD	2013	4 000	Mar. 21				
Normand Sun	Vard 1 07	2014	5 635	Jul. 23 + opt.				
Normand Supporter	PSV 06 CD	2012	5 300	Feb. 22 + opt.				
Normand Supra	PX 105	2014	4 459	Feb. 20 + opt.				
Normand Surfer	PX 105	2014	4 459	Feb. 20 + opt.				
Normand Swan	PX 105	2014	4 459	Jun. 20 + opt.				
Normand Swift	PX 105	2014	4 459	Jun. 20 + opt				
Normand Sygna	Vard 1 07	2014	5 700	Sep. 23 + opt.				
Normand Titus	PSV 05-L CD	2014	4 047	Mar. 20				
Sea Brasil	PSV 09 CD	2012	4 700	Jan. 20 + opt.				
Sea Falcon	PX 105	2013	4 419	Nov. 20 + opt.				
Sea Flyer	PX 105	2013	4 419	Jan. 20 + opt.				
Sea Forth	PX 105	2013	4 419	Jan. 20 + opt.				
Sea Frost	PX 105	2013	4 419	Jul. 20 + opt.				
Sea Spark	PX 105	2013	4 419	Jul. 20				
Sea Spear	PX 105	2014	4 459	Spot				
Sea Tantalus	PSV 05-L CD	2013	4 047	Nov. 19				

Certain freight contracts contain clauses which give the charterer the right to cancel the contract.

Contract Charterer's option Spot

## IN LAY-UP

Vessel name	Design	Year built	BHP	Vessel name	Design	Year built	BHP
Far Server	HY 832 CD	2010	3 735	Sea Angler	UT 755L	2007	3 250
Far Spirit	VS 470 Mk II	2007	3 624	Sea Bass	UT 755 L	2008	3 250
Far Splendour	P 106	2003	3 503	Sea Halibut	UT 755 L	2007	3 250
Far Strider	VS 483	1999	3 965	Sea Pike	UT 755 L	2007	3 250
Normand Corona	MT 6000 MK II	2006	4 348	Sea Pollock	UT 755 L	2008	3 250
Normand Provider	UT 755	2007	3 326	Sea Tortuga	PSV 05-L CD	2014	4 047
Normand Sira	MT 6009	2008	3 642	Sea Triumph	PSV 05-L CD	2014	4 047
Normand Supplier	UT 755	2010	3 268	Sea Trout	VS 470 MK II	2007	3 570
Normand Trym	UT 755 LN	2006	3 298	Sea Turbot	UT 755 L	2008	3 250
Normand Vibran	UT 755 LN	2008	3 375	Sea Witch	UT 755 L	2008	3 520

# CSV FLEET AND EMPLOYMENT

(AT 28.11.19) For more information about each vessel visit: [WWW.SOLSTAD.COM/FLEET/OCVCSV-VESSELS/](http://WWW.SOLSTAD.COM/FLEET/OCVCSV-VESSELS/)

## EMPLOYMENT

Vessel name	Design	Year built	BHP	Employment *) at 28.11.19	4Q -19	1H - 2020	2H- 2020	2021
Far Saga	UT 745 L	2001	10 812	Aug. 20 + opt.				
Far Samson	UT 761 CD	2009	47 627	Nov. 19 + opt.				
Far Sentinel	Vard 3 07	2015	22 794	Dec. 22 + opt.				
Far Sleipner	Vard 3 07	2015	22 549	Nov. 20 + opt.				
Far Superior	Vard 3 17	2017	15 667	Oct. 21 + opt.				
Nor Captain	Khiam Chuan	2007	10 880	Nov. 19 + opt.				
Nor Spring	Sasaship	2008	7 956	Nov. 19 + opt.				
Normand Baltic	STX 06 CD	2010	11 736	Nov. 19 + opt.				
Normand Clipper	VS 4125	2001	22 195	Jan. 23+ opt.				
Normand Commander	MT 6016 MK II	2006	10 196	Oct. 23 + opt.				
Normand Flower	UT 737	2002	14 000	Jan. 20 + opt.				
Normand Frontier	Vard 3 03	2014	20 651	Mar. 22 + opt.				
Normand Installer	VS 4204	2006	31 360	Dec. 19 + opt.				
Normand Jarl	MT 6022	2013	14 552	Nov. 19 + opt.				
Normand Jarstein	MT 6022 L	2014	17 232	Nov. 19 + opt.				
Normand Maximus	Vard 3 19	2016	39 111	Oct. 24 + opt.				
Normand Mermaid	P 103	2002	14 400	Spot				
Normand Ocean	MT 6022	2014	17 476	Oct. 21				
Normand Pacific	ST 257 L CD	2010	22 073	Dec. 21 + opt				
Normand Pioneer	UT 742	1999	27 920	Mar. 21 + opt.				
Normand Subsea	VS 4710	2009	19 800	Dec. 23 + opt.				
Normand Tonjer	VS 495	2010	11 600	Mar. 20 + opt.				
Normand Vision	Vard 3 06	2014	27 850	Dec. 20 + opt.				

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■ Contract 
 ■ Charterer's option 
 ■ Spot 
 ▨ Framework Agreement 
 ▨ Charterer's option

## IN LAY-UP

Vessel name	Design	Year built	BHP	Vessel name	Design	Year built	BHP
Far Scotia	UT 755	2001	5 454	Normand Fortress	MT 6016 MK II	2007	10 759
Nor Valiant	Conan Wu	2008	5 470	Normand Poseidon	MT 6016	2009	10 196
Norce Endeavour	VS 1040	2011	N/A	Normand Progress	UT 742	1999	27 920
Normand Australis	Conan Wu	2009	5 400	Normand Seven	VS 4220	2007	25 017
Normand Cutter	VS 4125	2001	22 204				



NORMAND VISION - VARD 3 06



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