



**QUARTERLY REPORT**  
**2-2020**

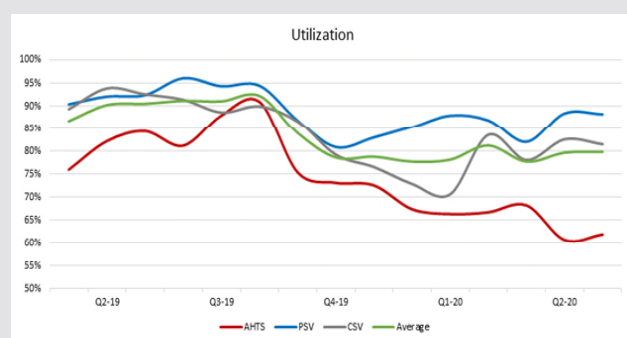
# REPORT

## 2<sup>ND</sup> QUARTER 2020

- Revenues for the second quarter of 2020 was MNOK 1,332 vs MNOK 1,372 in 2019, while EBITDA (adjusted) for the second quarter was MNOK 411 vs MNOK 440 in 2019
- Stable operational performance during the quarter
- Impairment of MNOK 960 in the quarter mainly driven by postponed market recovery
- Adjusted EBITDA improvement of MNOK 31 in 1H 2020 (MNOK 694 vs MNOK 663) compared to 1H 2019
- On May 8th, 2020, Solstad signed a Restructuring Implementation Agreement with a vast majority of its creditors for a financial restructuring of the Group
- There is a risk that COVID-19 pandemic and the low oil price will affect the Company's performance

### THE COMPANY

Solstad Group ("the Company") is a world leading owner and operator of offshore service vessels. As per June 2020, the Company owns and/or operates a fleet of in total 127 vessels. The overall utilization for the operational fleet in 2Q 2020 was 79% (89% in 2019), the subsea CSV fleet had a utilization of 81% (92%), AHTS fleet 64% (81%) and 86% (92%) for the PSV fleet.



### FINANCIAL SUMMARY

Operating income for 2Q 2020 amounted to MNOK 1,332 compared to MNOK 1,372 2Q 2019. Revenues for 2H 2020 improved with MNOK 17 from MNOK 2,535 vs MNOK 2,518 in 2H2019.

Operating expenses in 2Q 2020 amounted to MNOK 969, of which MNOK 881 are classified as vessel operating expenses. Compared to 2Q 2019 vessel operating expenses decreased by MNOK 7. Operating result before depreciation was MNOK 363 in 2Q 2020 compared to MNOK 386 in 2Q 2019. Administrative expenses for 2Q 2020 was MNOK 88, compared to MNOK 98 for 2Q 2019.

EBITDA adjusted ended at MNOK 411 in 2Q 2020 compared to MNOK 440 for 2Q 2019. Adjusted EBITDA for 2H 2020 of MNOK 694 vs MNOK 663 in 2H2019, this is an improvement of MNOK 31 compared to last year.

During the 2nd quarter the currency exchange rate for USD versus NOK has weakened. This resulted in a positive unrealized currency effects relating to the Company's debt of MNOK 564.

Impairment charges totaling MNOK 960 were incurred in the quarter relating to vessels. Ordinary result before taxes for 2Q 2020 ended negative with MNOK 797 compared to negative MNOK 333 for 2Q 2020.

Total booked equity at the end of the period was negative MNOK 7,017.

### FINANCE

The Company has for some time been in financial difficulties. On 8 May 2020, Solstad signed a Restructuring Implementation Agreement (the "RIA") for a restructuring of the Group (the "Restructuring") with a majority of the Restructuring's key stakeholders, including all of its secured finance providers except for three creditors in the Solship Invest 3 AS and Farstad Shipping AS silos. The implementation of the Restructuring is subject to the approval of the general meeting of the Company and relevant bondholders' meetings, agreement on long form documentation with relevant stakeholders and related customary condition precedent documentation. Relevant bondholder approvals of the Restructuring have been obtained.

This report is prepared on the assumption of a going concern. However, until the Restructuring has been implemented, the Company's and the Group's financial

situation is unsustainable as equity is negative and liquidity is under pressure. The going concern assumption is based on the board's view that the Restructuring has a reasonable prospect of being implemented. If the Restructuring Implementation Agreement is not implemented, 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. Based on the information above the Board of Directors would like to emphasize that there is material uncertainty related to the going concern assumption is not certain. For further information, please see 2019 Annual Report Note 1, Note 2, Note 4 and Note 28.

#### CASH FLOW AND CASH POSITION

During 2Q 2020, the overall cash position of the Company increased from MNOK 987 to MNOK 1,112. The Net cash flow from operations was positive with MNOK 462 for 2Q 2020. Net cash flow from investments was positive by MNOK 862 including sale of asset for the amount of MNOK 989 (the difference mainly relates to regulatory docking of vessels). Net interest paid to lenders was MNOK 148, and net installments paid to lenders were MNOK 1,015 including sale of asset during the quarter. In addition there were negative currency effect of MNOK 36 due to NOK/USD exchange rate.

#### SALE OF VESSELS

Saipem Portugal Commercio Maritimo Ltd exercised the purchase option for the DLB Norce Endeavour, and the delivery of the barge took place in April 2020. The vessel former named Normand Skude owned by the subsidiary Group company Sofo Skude AS was sold to a third party in May 2020.

All debt relating to the vessels has been repaid in full. There is a limited accounting effect from both transactions.

#### OUTLOOK

When entering 2020, there were expectations of a gradually higher activity level in 2020 compared to 2019. That was based on an oil-price at a stable, high level and the E&P budgets published by the oil companies.

During March 2020 the oil prices dropped significantly because of the Covid-19 pandemic and the "trade-war" between certain oil producing countries. Consequently, most oil companies announced a revision of their activity plans for 2020, leading to a significant and immediate reduction in activity.

It is uncertain how the oil & gas markets will develop going forward. There are reasons to believe that the activity in general will be reduced compared to earlier expectations, but that activity linked to production will be less affected than activity linked to exploration and maintenance. On the more positive side, the activity within offshore-wind, continue to grow. Not only in Europe, but also in other areas and particularly Asia where the Company recently has been awarded a contract in the development phase of an Offshore Wind project in Taiwan.

The Company's backlog is approximately MNOK 8,000 whereof MNOK 3,600 for the next 12 months.

#### RISK

The Company is exposed to market, commercial, operational and financial risks that affect the assets, liabilities, available liquidity and future cash flows. Given the difficult market situation within the offshore industry the last years and the current downturn that the Company experience now, the Company considers that these risks have increased compared to previous years. There is established a risk mitigation framework based on identifying, assessing and managing risks. The Board monitors the overall risk picture for the Group, both through management's daily work and reporting.

Market and operational risks are changes in demand for and prices of the services provided by the Company, and potential adverse effects of the provision of such services. The market has further deteriorated with the impact of COVID-19 virus and declining oil prices in all regions where the Group operates and has negatively impacted the earnings and utilisation of the Group's fleet. A continuing weak market will impact future earnings and utilisation of the Group's fleet going forward. Also, the counter-party risk has increased, and contracts may be cancelled or not renewed if a sustained challenging market situation continues. The Company has implemented a wide range of measures to minimize the risk to people and operations from the COVID-19 pandemic, including social distancing, travel restrictions and working from home. During the quarter, the company has implemented mandatory testing for offshore personnel. The company has so far avoided any virus-related disruptions to its operations and will continue to enforce proper measures to minimize the risk level. The Company continually evaluates measures to reduce risk exposure as mentioned above.

In addition the world has experienced a serious and rapid spread of COVID-19. The World Health Organization (WHO) has declared the situation and the virus a pandemic. This virus outbreak affects a significant number of people, and it also affects businesses and economies worldwide. A recession scenario is plausible, but the long-term global and national impacts on industries, economic activity, oil prices and financial markets are hard to predict given the current situation. The challenging times and uncertain market conditions will impact the coming quarters, and this is part of Solstad's ongoing risk assessment going forward.

The Company is exposed to interest rate and currency risk, primarily through financing and contracts. Interest rate risk is partially mitigated by hedging contracts, while currency risk is reduced by having debt in the same currency as charter agreements. For further details, reference is made to section "Finance" and Annual Report 2019 Note 1, 2, 4 and 28

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

The Group is in a challenging financial position and has implemented measures to preserve liquidity. The cash position of the Group is being monitored closely. The viability of the Company will require the establishment of a long-term financial platform. The Company has entered into a Restructuring Implementation Agreement with a view to strengthen its financial situation.

There is a potential risk connected to the impact of COVID-19 virus and the effect this will have on the global market where the Group is operating. This might affect the Group's financial performance as a consequence of both internal and external factors that could present possible challenges in the period of time. The Group has so far been able to continue normal operations of its vessels even if crew changes has become difficult due to COVID-19. There is an increased risk in the sector of delays in execution of offshore projects as a result of

COVID-19. It could be expected that both COVID19 and the oil price development will have a negative effect on the Group. Currently there are limited information available to provide clear data for calculating any estimates on financial exposure. The Group will continuously monitor financial exposure, taking measure to mitigate the risks and ensure timely recognition of all relevant estimates in financial reporting.

#### THE COMPANY AND ITS SHAREHOLDERS

As of today, Solstad Offshore ASA has 10,441 shareholders, and approximately 23% of the shares are owned by foreign shareholders.

The Company's market value at Oslo Stock Exchange is MNOK 192.

#### STATEMENT FROM THE BOARD AND CEO

We confirm that the consolidated accounts for the period January 1 to June 30, 2020 are to the best of our knowledge, prepared in accordance with IAS 34. The bi-annual report and the figures used for the quarterly reporting give a fair and true value of the enterprise and group's assets, debts, financial position and result which, in its entirety, gives a true overview of the information in accordance with § 5-6 fourth paragraph of the Securities Trading Act.

Board of Directors in Solstad Offshore ASA  
Skudeneshavn 31.08.2020



Harald Espedal  
Chairman



Toril Eidesvik  
Director



Frank O. Reite  
Director



Merete Haugli  
Director



Lars Peder Solstad  
CEO

# CONDENSED STATEMENT OF COMPREHENSIVE INCOME

(NOK 1,000)

	Note	2020 01.04-30.06	2019 01.04-30.06	2020 01.01-30.06	2019 01.01-30.06	2019 01.01-31.12
<b>Operating income</b>	<b>2,3,4</b>	<b>1,331,544</b>	<b>1,372,382</b>	<b>2,534,930</b>	<b>2,517,901</b>	<b>5,244,881</b>
Vessel operating expenses		-881,230	-888,359	-1,741,646	-1,754,263	-3,553,081
Administrative expenses		-87,576	-97,571	-191,462	-214,267	-417,962
<b>Total operating expenses</b>	<b>4</b>	<b>-968,806</b>	<b>-985,930</b>	<b>-1,933,108</b>	<b>-1,968,530</b>	<b>-3,971,043</b>
<b>Operating result before depreciations</b>	<b>3</b>	<b>362,738</b>	<b>386,452</b>	<b>601,822</b>	<b>549,371</b>	<b>1,273,838</b>
Ordinary depreciation	5	-369,771	-382,940	-745,139	-754,217	-1,446,517
Impairment	5	-960,496	-27,000	-960,496	-27,000	-1,031,902
Net gain/ loss on sale of assets		-28,959	-2,544	-28,959	-2,544	12,784
<b>Operating result</b>		<b>-996,489</b>	<b>-26,032</b>	<b>-1,132,773</b>	<b>-234,390</b>	<b>-1,191,797</b>
Result from Joint Ventures	7	18,878	8,562	27,390	17,765	-44,787
Result from associated companies	7	7,249	5,315	18,952	16,253	40,766
<b>Total other items</b>		<b>26,126</b>	<b>13,877</b>	<b>46,342</b>	<b>34,018</b>	<b>-4,021</b>
Interest income		5,279	2,701	10,386	4,816	14,827
Realised currency gain/ -loss		11,842	3,948	43,743	85	-17,241
Unrealised currency gain/ -loss		564,158	100,771	-828,512	130,496	-120,737
Interest charges		-357,745	-420,853	-766,178	-811,739	-1,644,510
Net financial charges / -income		-50,324	-7,590	-415,171	-12,349	-7,265
<b>Net financing</b>		<b>173,211</b>	<b>-321,022</b>	<b>-1,955,731</b>	<b>-688,690</b>	<b>-1,774,926</b>
<b>Ordinary result before taxes</b>		<b>-797,152</b>	<b>-333,177</b>	<b>-3,042,162</b>	<b>-889,062</b>	<b>-2,970,745</b>
Taxes ordinary result	9	-7,648	-9,362	-12,378	18,108	-158,549
<b>RESULT</b>		<b>-804,800</b>	<b>-342,539</b>	<b>-3,054,540</b>	<b>-870,954</b>	<b>-3,129,294</b>
<b>Other comprehensive income:</b>						
Exchange differences on translating foreign operations		157,736	20,684	-127,224	35,285	54,087
Available-for-sale financial assets		0	0	0	0	0
Actuarial gain/ loss		0	0	0	0	42,165
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-647,064</b>	<b>-321,855</b>	<b>-3,181,764</b>	<b>-835,669</b>	<b>-3,033,042</b>
<b>Result attributable to:</b>						
Non-controlling interests		-401	594	5,412	-503	264
Majority share		-804,400	-343,133	-3,059,952	-870,451	-3,129,558
Earnings per share		-2,76	-1.18	-10.48	-2.99	-10.74
<b>Other comprehensive income attributable to:</b>						
Non-controlling interests		-401	594	5,412	-503	264
Majority share		-646,663	-322,449	-3,187,176	-835,166	-3,033,306
Other comprehensive income per share		-2,22	-1.10	-10.92	-2.87	-10.41
<b>EBITDA adjusted</b>	<b>3,4</b>	<b>410,605</b>	<b>440,204</b>	<b>694,306</b>	<b>663,103</b>	<b>1,410,694</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	2020 30.06	2019 30.06	2019 31.12
<b>ASSETS</b>				
<b>Fixed Assets:</b>				
Intangible assets		23,818	133,354	69,961
Tangible fixed assets	5	20,726,469	23,865,159	22,601,638
Right-of-use assets	6	3,752,587	3,763,418	3,771,906
Investment in associated companies and Joint Ventures	7	453,227	658,692	386,405
Financial fixed assets		175,372	226,521	173,153
<b>Total fixed assets</b>		<b>25,131,474</b>	<b>28,647,144</b>	<b>27,003,062</b>
<b>Current Assets:</b>				
Stocks		175,810	141,427	177,226
Accounts receivables		1,001,947	1,197,553	889,032
Other receivables		574,221	644,963	621,546
Market based shares		5,513	11,051	8,215
Deposits, cash, etc	8	1,111,611	801,906	1,134,028
<b>Total current assets</b>		<b>2,869,102</b>	<b>2,796,900</b>	<b>2,830,046</b>
Assets held for sale	5	0	34,334	0
<b>TOTAL ASSETS</b>		<b>28,000,576</b>	<b>31,478,378</b>	<b>29,833,108</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity:</b>				
Paid-in equity		4,602,782	4,602,782	4,602,782
Other equity		-11,628,070	-6,260,086	-8,440,894
Non-controlling interests		8,103	1,924	2,691
<b>Total equity</b>		<b>-7,017,185</b>	<b>-1,655,379</b>	<b>-3,835,420</b>
<b>Liabilities:</b>				
Long-term provisions		76,462	284,572	77,939
Other long-term debt	8	12,224	14,232	12,172
Debt to credit institutions	8	4,268,354	4,987,922	4,484,329
<b>Total long-term debt</b>		<b>4,357,040</b>	<b>5,286,726</b>	<b>4,574,439</b>
Current portion of long-term debt	8	28,322,076	26,014,323	27,632,528
Other current liabilities		2,338,645	1,832,708	1,461,561
<b>Total current liabilities</b>		<b>30,660,721</b>	<b>27,847,031</b>	<b>29,094,089</b>
<b>Total liabilities</b>		<b>35,017,761</b>	<b>33,133,757</b>	<b>33,668,529</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>28,000,576</b>	<b>31,478,378</b>	<b>29,833,108</b>

# STATEMENT OF CASH FLOW

(NOK 1,000)

CASH FLOW FROM OPERATIONS	2020 30.06	2019 30.06	2019 31.12
<b>Result before tax</b>	<b>-3,042,162</b>	<b>-889,062</b>	<b>-2,970,745</b>
Taxes payable	-8,791	1,644	-35,634
Ordinary depreciation and write downs	1,705,636	781,217	2,478,419
Gain (-)/ loss long-term assets	45,146	-39,298	50,276
Interest income	-10,386	-4,816	-14,827
Interest expense	766,178	811,739	1,644,510
Terminated leases	385,536	0	0
Effect of change in pension assets	-1,195	-1,338	-38,304
Change in value of financial instruments	-170,549	-2,079	-107,062
Unrealised currency gain/ -loss	1,041,813	-119,604	125,283
Change in short-term receivables and payables	210,619	-156,812	272,565
Change in other accruals	-375,825	-270,481	-394,414
<b>Net cash flow from operations</b>	<b>546,019</b>	<b>111,109</b>	<b>1,010,067</b>
<b>CASH FLOW FROM INVESTMENTS</b>			
Investment in tangible fixed assets	-9,105	-34,335	-48,471
Payment of periodic maintenance	-253,845	-226,483	-363,662
Consideration sale of fixed assets (vessels)	1,014,170	20,178	73,640
Payment of long-term receivables	3,337	-18,001	28,429
Received interests	6,042	4,543	8,505
Realization of shares and holdings	36	0	0
<b>Net cash flow from investments</b>	<b>760,636</b>	<b>-254,099</b>	<b>-301,559</b>
<b>CASH FLOW FROM FINANCING</b>			
Paid leases	-274 459		-490,706
Paid interests	-98 954	-224,076	-165,790
Drawdown long-term debt	1 051 263	465,280	972,972
Repayment of long-term debt	-2 089 327	-632,533	-1,244,816
<b>Net cash flow from financing</b>	<b>-1,411,476</b>	<b>-391,329</b>	<b>-928,340</b>
Effect of changes in foreign exchange rates	82,405	-15,121	2,514
Net change in cash	-104,822	-534,318	-219,832
Cash at 01.01	1,134,028	1,351,346	1,351,346
<b>Cash at balance sheet date</b>	<b>1,111,611</b>	<b>801,907</b>	<b>1,134,028</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
<b>Equity 01.01.2020</b>	<b>583,065</b>	<b>-281</b>	<b>3,698,350</b>	<b>321,648</b>	<b>401,259</b>	<b>-8,842,152</b>	<b>-3,838,111</b>	<b>2,691</b>	<b>-3,835,420</b>
Result	-	-	-	-	-	-3,059,952	-3,059,952	5,412	-3,054,540
Translation adjustments	-	-	-	-	-127,224	-	-127,224	-	-127,224
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-127,224</b>	<b>-3,059,952</b>	<b>-3,187,176</b>	<b>5,412</b>	<b>-3,181,764</b>
<b>Equity 30.06.2020</b>	<b>583 065</b>	<b>-281</b>	<b>3 698 350</b>	<b>321 648</b>	<b>274,035</b>	<b>-11,902,104</b>	<b>-7,025,288</b>	<b>8,103</b>	<b>-7,017,185</b>

	Share capital	Treasury shares	Share premium	Other paid-in capital	Other changes	Other equity	Total majority shares	Non-controlling interests	Total equity
<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>
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	-	-	-	-	-	-870,451	-870,451	-503	-870,954
Translation adjustments	-	-	-	-	35,285	-	35,285	-	35,285
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35,285</b>	<b>-870,451</b>	<b>-835,166</b>	<b>-503</b>	<b>-835,669</b>
<b>Equity 30.06.2019</b>	<b>583,065</b>	<b>-281</b>	<b>3,698,350</b>	<b>321,648</b>	<b>382,457</b>	<b>-6,642,543</b>	<b>-1,657,304</b>	<b>1,924</b>	<b>-1,655,379</b>

	Share capital	Treasury shares	Share premium	Other paid-in capital	Other changes	Other equity	Total majority shares	Non-controlling interests	Total equity
<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>
IFRS 16 implementation effect	-	-	-	-	-	37,269	37,269	-	37,269
<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>-5,765,784</b>	<b>-815,830</b>	<b>2,427</b>	<b>-813,403</b>
Annual result	-	-	-	-	-	-3,129,558	-3,129,558	264	-3,129,294
Actuarial gain/ loss (-)	-	-	-	-	-	42,165	42,165	-	42,165
Translation adjustments	-	-	-	-	54,087	-	54,087	-	54,087
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>54,087</b>	<b>-3087,393</b>	<b>-3,033,306</b>	<b>264</b>	<b>-3,033,042</b>
Other adjustments	-	-	-	-	-	11,025	11,025	-	11,025
<b>Equity 31.12.2019</b>	<b>583,065</b>	<b>-281</b>	<b>3,698,350</b>	<b>321,648</b>	<b>401,259</b>	<b>-8,842,152</b>	<b>-3,838,111</b>	<b>2,691</b>	<b>-3,835,420</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. On 8 May 2020, the Company entered into a Restructuring Implementation Agreement to strengthen its financial situation, and the going concern assumption is based on the board's view that the Restructuring Implementation Agreement has a reasonable prospect of being implemented. If the Restructuring Implementation Agreement is not implemented, 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. Based on the information above the board of Director would like to emphasize that there is material uncertainty related to the going concern assumption. Further reference is made to Note 28 in the 2019 Annual accounts.



Normand Drott - AHTS 12

# 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 eared 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 customers 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, are recognized over time, as the performance obligation is satisfied over time.

	2020 01.04-30.06	2019 01.04-30.06	2020 01.01-30.06	2019 01.01-30.06	2019 01.01-31.12
Service element from contracts with day rate	580,914	672,069	1,036,522	1,183,509	2,050,887
Management fee	6,332	8,576	21,150	13,710	27,616
Victualling	26,117	33,835	43,025	53,904	116,828
Project management	-	-	4,253	-	4,253
Other	-4,359	-2,435	1,479	6,729	79,798
<b>Revenue from contracts with customers</b>	<b>609,004</b>	<b>712,045</b>	<b>1,106,429</b>	<b>1,257,853</b>	<b>2,279,381</b>
Lease element from contracts with day rate	722,540	660,338	1,428,501	1,260,048	2,965,500
<b>Total operating income</b>	<b>1,331,544</b>	<b>1,372,382</b>	<b>2,534,930</b>	<b>2,517,901</b>	<b>5,244,881</b>

<b>Contract balances</b>	<b>30.06.2020</b>	<b>30.06.2019</b>	<b>31.12.2019</b>
Trade receivables from charters	1,001,947	1,197,553	889,032
Contract assets	-	-	-
Contract liabilities	36,835	40,001	34,710

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

(NOK 1,000)

## NOTE 3 - REPORTING PER SEGMENT

	Q2 2020			Q2 2019		
	AHTS/PSV	Subsea	Total	AHTS/PSV	Subsea	Total
Revenue from contracts with customers	307,955	301,049	<b>609,004</b>	392,522	319,523	<b>712,045</b>
Lease element from contracts with day rate	310,502	412,038	<b>722,540</b>	319,118	341,220	<b>660,338</b>
<b>Total operating income</b>	<b>618,457</b>	<b>713,087</b>	<b>1,331,544</b>	<b>711,640</b>	<b>660,743</b>	<b>1,372,383</b>
Crew expenses	343,693	184,672	<b>528,365</b>	361,542	204,829	<b>566,371</b>
Other expenses	207,978	190,421	<b>398,399</b>	220,586	159,073	<b>379,659</b>
<b>Total operating expenses</b>	<b>551,670</b>	<b>375,094</b>	<b>926,764</b>	<b>582,128</b>	<b>363,903</b>	<b>946,031</b>
Bunkers	28,032	14,011	<b>42,042</b>	19,088	20,812	<b>39,899</b>
<b>Operating result before depreciations</b>	<b>38,755</b>	<b>323,983</b>	<b>362,738</b>	<b>110,423</b>	<b>276,028</b>	<b>386,452</b>
Excess and less values freight contracts	16,319	5,424	<b>21,743</b>	28,561	11,317	<b>39,877</b>
Net result from Joint Venture	0	18,878	<b>18,878</b>	-	13,245	<b>13,245</b>
<b>Adjusted Operating result before depreciations</b>	<b>55,074</b>	<b>348,283</b>	<b>403,356</b>	<b>138,984</b>	<b>300,589</b>	<b>439,572</b>

	Year to date Q2 2020			Year to date Q2 2019		
	AHTS/PSV	Subsea	Total	AHTS/PSV	Subsea	Total
Revenue from contracts with customers	630,824	475,605	<b>1,106,429</b>	742,354	515,499	<b>1,257,853</b>
Lease element from contracts with day rate	647,828	780,673	<b>1,428,501</b>	609,478	650,570	<b>1,260,048</b>
<b>Total operating income</b>	<b>1,278,652</b>	<b>1,256,278</b>	<b>2,534,930</b>	<b>1,351,832</b>	<b>1,166,069</b>	<b>2,517,901</b>
Crew expenses	701,435	338,238	<b>1,039,673</b>	755,091	398,038	<b>1,153,129</b>
Other expenses	443,349	358,110	<b>801,459</b>	437,177	298,713	<b>735,890</b>
<b>Total operating expenses</b>	<b>1,144,785</b>	<b>696,347</b>	<b>1,841,132</b>	<b>1,192,268</b>	<b>696,751</b>	<b>1,889,019</b>
Bunkers	61,691	30,286	<b>91,976</b>	41,351	38,159	<b>79,510</b>
<b>Operating result before depreciations</b>	<b>72,177</b>	<b>529,645</b>	<b>601,822</b>	<b>118,212</b>	<b>431,159</b>	<b>549,371</b>
Excess and less values freight contracts	33,994	12,148	<b>46,142</b>	57,084	22,629	<b>79,714</b>
Net result from Joint Venture	-	27,390	<b>27,390</b>	-	27,194	<b>27,194</b>
<b>Adjusted Operating result before depreciations</b>	<b>106,171</b>	<b>569,183</b>	<b>675,354</b>	<b>175,296</b>	<b>480,982</b>	<b>656,279</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

	2020 01.04 - 30.06	2019 01.04 - 30.06	2020 01.01 - 30.06	2019 01.01 - 30.06	2019 01.01 - 31.12
Total operating income	1,331,544	1,372,382	2,534,930	2,517,901	5,244,881
Total operating expenses	-968,806	-985,930	1,933,108	-1,968,530	-3,971,043
EBITDA	362,738	386,452	601,822	549,371	1,273,838
Excess and less values freight contracts	21,741	39,875	46,142	79,714	138,461
Net result from Joint Venture	18,878	8,562	27,390	17,765	-44,787
Net result from associated companies	7,249	5,315	18,952	16,253	40,766
Accrual loss accounts receivable	-	-	-	-	2,416
EBITDA adjusted	410,605	440,204	694,306	663,103	1,410,694

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
Opening balance 01.01.2020	21,824,314	666,179	111,144	22,601,638
Additions	9,124	253,839	-	262,962
Transferred	16,003	-	-41,909	-25,906
Disposals	-1,083,584	-	-	-1,083,584
Translation adjustment	568,064	11,947	-4,088	575,923
Depreciation	-492,141	-142,608	-9,319	-644,068
Impairment	-960,496	-	-	-960,496
Closing balance 30.06.2020	19,881,283	789,358	55,828	20,726,469

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%.

# 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 1,265.

#### 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 2020-2024.

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 Q2 2020 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 Q2 2020 remains at 9%.

#### 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 2025 to 2027 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 2027.

#### 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 2020. Operating cost is adjusted for inflation by 2%. Inflation of revenue correspond to cost from 2025.

#### 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.



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

(NOK 1,000)

## NOTE 6 - RIGHT-OF-USE ASSETS

	Right-of-use assets			Lease liabilities
	Vessels	Office	Total	
Opening balance 01.01.2020	3,521,309	250,597	3,771,906	4,284,283
Other adjustments	-	22,613	22,613	-
Disposals	-329,192	-	-329,192	-718,278
Translation adjustment	385,958	-6,133	379,824	448,325
Depreciation	-86,052	-6,513	-92,565	-
Interest expense	-	-	-	142,501
Lease payments	-	-	-	-274,459
Closing balance 30.06.2020	3,492,023	260,564	3,752,587	3,882,371

### 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 over 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 an 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 %)	

	AC	JV	TOTAL
<b>Opening balance</b>	<b>293,846</b>	<b>92,559</b>	<b>386,405</b>
Share of result year to date	18,952	27,390	46,342
Additions	-	-	-
Disposals	-	-	-
Other adjustments	7,130	13,351	20,481
<b>Closing balance</b>	<b>319,928</b>	<b>133,299</b>	<b>453,227</b>

Other adjustments includes received dividends and currency effects.

## NOTE 8 - INTEREST BEARING DEBT

	2020 30.06	2019 30.06	2019 31.12
Long term debt	4,280,578	5,002,154	4,496,501
Current portion of long term debt	28,322,076	26,014,323	27,632,528
<b>Total interest bearing debt (*)</b>	<b>32,602,654</b>	<b>31,016,477</b>	<b>32,129,029</b>
Bank deposits	1,111,611	801,906	1,134,028
<b>Net interest bearing debt</b>	<b>31,491,042</b>	<b>30,214,571</b>	<b>30,995,001</b>

Long term debt is divided as follows: 42% NOK, 53% USD, 3% GBP and 2% AUD. At the end of the quarter, fixed interest agreement loans were entered into for around 23% of interest bearing debt.

Long term debt of about MNOK 25,000 have in accordance with IFRS been classified as Current portion of long term debt as per June 30, 2020, due to the standstill agreements with the banks and bond holders where the covenant waiver period is less than 12 months. The waiver period end March 31, 2020, subsequently prolonged to May 8, 2020 and replaced by the Restructuring Implementation Agreement. Further reference is made to Note 28 in the 2019 Annual accounts.

\*Inclusive recognized debt relating to IFRS 16 Leases MNOK 3,882 (MNOK 4,288), whereof MNOK 592 (MNOK 1,186) are leases from related parties, and debt to related parties MNOK 1,204 (MNOK 632). Certain IFRS 16-leases are terminated in 2020, resulting in a charge to Other net financial charges/-income.

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

(NOK 1,000)

## NOTE 9 - TAX EXPENSE

The Group's tonnage taxed companies has decided to exit the Norwegian tonnage tax regime. The exit will have effect from 1 January 2016 and the Group is in process of preparing the required documentation. The Group expect to claim a loss carried forward in the region of NOK 9 billion for the period 2016 to 2018.

## NOTE 10 - SUBSEQUENT EVENTS

Solstad Offshore ASA (the "Company") and its subsidiaries ("SOFF" or the "Group") have since Q3 2018 worked with their creditors towards a consensual financial restructuring. On 8 May 2020 the Company signed a Restructuring Implementation Agreement (the "RIA") for a restructuring of the Group (the "Restructuring"). The closing of the Restructuring is expected to take place in the autumn 2020, subject to i.a approval of the general meeting.

## NOTE 11 - 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.

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

**Adjusted Operating result before depreciations** - Operating result before depreciation adjusted excess values charter parties from mergers and 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 EMPLOYMENT

Vessel name	Design	Year built	BHP	Employment *) at 31.08.20	2H - 2020	1H - 2021	2H - 2021	2022
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	Sep. 23 + opt.				
Far Sapphire	UT 732 CD	2007	27 472	Spot				
Far Scout	UT 722 L	2001	16 823	Dec. 20				
Far Senator	UT 731 CD	2013	24 371	Jan. 22 + opt.				
Far Sigma	UT 731 CD	2014	24 371	Sep. 20 / Spot				
Far Statesman	UT 731 CD	2013	24 371	Sep. 23 + opt.				
Far Stream	UT 712 L	2006	16 005	Jan. 21 + opt.				
Far Sword	UT 712 L	2006	16 005	Idle				
Nor Captain	Khiam Chuan	2007	10 880	Idle				
Normand Drott	AH 12	2010	32 792	May 21 + opt.				
Normand Ferking	VS 490	2007	20 700	Nov. 20 + opt.				
Normand Prosper	AH 12	2010	32 600	May 21 + opt.				
Normand Ranger	VS 490	2010	28 000	Sep. 20 / Spot				
Normand Saracen	UT 731 CD	2010	23 664	Jan. 22 + opt.				
Normand Scorpion	UT 731 CD	2009	24 143	Feb. 23 + opt.				
Normand Sirius	UT 731 CD	2014	24 371	Feb. 23 + opt.				
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
Elang Laut 1	Khiam Chuan	2009	12 240	Normand Atlantic	UT 740	1997	18 600
Far Sabre	UT 712 L	2008	15 953	Normand Borg	UT 722 L	2000	16 800
Far Santana	UT 730	2000	19 203	Normand Ivan	VS 480	2002	20 000
Far Scimitar	UT 712 L	2008	15 950	Normand Mariner	A 101	2002	23 330
Far Sound	UT 712 L	2007	16 157	Normand Master	A 101	2003	23 478
Far Sovereign	UT 741	1999	27 401	Normand Neptun	UT 740	1996	18 600
Far Strait	UT 712 L	2006	16 157	Normand Titan	UT 712 L	2007	16 320
Lady Astrid	UT 722	2003	12 240	Sea Ocelot	Khiam Chuan	2007	10 880
Lady Caroline	UT 722	2003	12 240	Sea Panther	KMAR 404	1998	15 000
Nor Tigerfish	Khiam Chuan	2007	5 422	Sea Tiger	KMAR 404	1998	15 000



NORMAND SCORPION - UT 731 CD

## PSV EMPLOYMENT

Vessel name	Design	Year built	DWT	Employment *) at 31.08.20	2H - 2020	1H - 2021	2H - 2021	2022
Far Scotsman	PSV 08 CD	2012	4 000	May. 22				
Far Searcher	UT 751 E	2008	5 127	Sep. 22 + opt.				
Far Seeker	UT 751 E	2008	4 905	Sep 20 + opt.				
Far Solitaire	UT 754 WP	2012	6 336	Dec. 20 + opt.				
Far Spica	PSV 08 CD	2013	4 000	Dec 20 + opt.				
Far Swan	VS 470 Mk II	2006	3 628	Oct. 21				
Far Symphony	P 105	2003	4 929	Dec. 20 + opt.				
Normand Arctic	PSV 12 LNG	2011	4 900	Spot				
Normand Aurora	P 105	2005	4 929	Idle				
Normand Carrier	HY 832 CD	2010	3 735	Idle				
Normand Falnes	VS 485	2011	5 492	May. 22 + opt				
Normand Flipper	UT 745 E	2003	4 340	Oct. 21 + opt.				
Normand Fortune	VS 485	2013	5 275	Apr. 22 + opt.				
Normand Leader	VS 499	2013	6 164	Dec. 21 + opt				
Normand Naley	VS 485	2011	5 506	Feb. 22 + opt.				
Normand Serenade	UT 751 CD	2009	5 944	Oct. 20 / Spot				
Normand Server	PSV 06 CD	2011	5 300	Jan. 22 + opt.				
Normand Service	PX 105	2014	4 459	Spot				
Normand Sitella	PSV 08 CD	2013	4 000	Oct. 20 / Spot				
Normand Skimmer	PSV 08 CD	2012	4 000	Sep. 20 + opt.				
Normand Skipper	VS 4420	2005	6 608	Jan. 23 + opt.				
Normand Springer	PX 105	2014	4 459	Apr. 21				
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	Oct. 20 + opt.				
Normand Surfer	PX 105	2014	4 459	Oct. 20 + opt.				
Normand Swan	PX 105	2014	4 459	Sep 20 + opt.				
Normand Swift	PX 105	2014	4 459	Dec. 20				
Normand Sygna	Vard 1 07	2014	5 700	Sep. 23 + opt.				
Normand Titus	PSV 05-L CD	2014	4 047	Idle				
Normand Tortuga	PSV 05-L CD	2014	4 047	May 21 + opt				
Sea Brasil	PSV 09 CD	2012	4 700	Dec. 21				
Sea Falcon	PX 105	2013	4 419	Nov. 20 + opt.				
Sea Flyer	PX 105	2013	4 419	Jan. 21 + opt.				
Sea Forth	PX 105	2013	4 419	Jan. 21 + opt.				
Sea Frost	PX 105	2013	4 419	Jan. 23 + opt.				
Sea Spark	PX 105	2013	4 419	Idle				
Sea Spear	PX 105	2014	4 459	Oct. 20 / Spot				
Sea Tantalus	PSV 05-L CD	2013	4 047	Idle				

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 Spirit	VS 470 Mk II	2007	3 624	Normand Vibran	UT 755 LN	2008	3 375
Far Splendour	P 106	2003	3 503	Sea Angler	UT 755L	2007	3 250
Far Strider	VS 483	1999	3 965	Sea Bass	UT 755 L	2008	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 Triumph	PSV 05-L CD	2014	4 047
Normand Sira	MT 6009	2008	3 642	Sea Trout	VS 470 MK II	2007	3 570
Normand Supplier	UT 755	2010	3 268	Sea Turbot	UT 755 L	2008	3 250
Normand Trym	UT 755 LN	2006	3 298	Sea Witch	UT 755 L	2008	3 520



## CSV EMPLOYMENT

Vessel name	Design	Year built	BHP	Employment *) at 31.08.20	2H - 2020	1H - 2021	2H - 2021	2022
Far Saga	UT 745 L	2001	10 812	Oct. 23				
Far Samson	UT 761 CD	2009	47 627	Aug. 20				
Far Superior	Vard 3 17	2017	15 667	Oct. 21 + opt.				
Nor Spring	Sasaship	2008	7 956	Idle				
Normand Australis	Conan Wu	2009	5 400	Sep. 20 + opt.				
Normand Baltic	STX 06 CD	2010	11 736	Jul. 21 + opt.				
Normand Clipper	VS 4125	2001	22 195	Feb. 23 + opt.				
Normand Cutter	VS 4125	2001	22 204	Sep. 20 + opt.				
Normand Commander	MT 6016 MK II	2006	10 196	Oct. 23 + opt.				
Normand Energy	VS 4220	2007	25 017	Aug. 20				
Normand Flower	UT 737	2002	14 000	Apr. 21 + opt.				
Normand Frontier	Vard 3 03	2014	20 651	Mar. 22				
Normand Installer	VS 4204	2006	31 360	Dec. 21				
Normand Jarl	MT 6022	2013	14 552	Sep. 20 + opt.				
Normand Jarstein	MT 6022 L	2014	17 232	Nov. 20 + opt.				
Normand Maximus	Vard 3 19	2016	39 111	Oct. 24 + opt.				
Normand Mermaid	P 103	2002	14 400	Dec. 20 + opt.				
Normand Navigator	Vard 3 07	2015	22 549	Aug. 20 + opt.				
Normand Ocean	MT 6022	2014	17 476	Oct. 21 + opt.				
Normand Pacific	ST 257 L CD	2010	22 073	Dec. 21 + opt.				
Normand Pioneer	UT 742	1999	27 920	Mar. 21 + opt.				
Normand Poseidon	MT 6016	2009	10 196	Sep. 20 + opt.				
Normand Sentinel	Vard 3 07	2015	22 794	Dec. 22 + opt.				
Normand Subsea	VS 4710	2009	19 800	Dec. 23 + opt.				
Normand Tonjer	VS 495	2010	11 600	Nov. 20 + opt.				
Normand Vision	Vard 3 06	2014	27 850	Dec. 21 + opt.				

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

■ 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 Progress	UT 742	1999	27 920



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