Oceanteam ASA Half-year report 2019

CONTENT

1. Key Events and Financial Performance

KEY EVENTS for the first half year of 2019

Results:

- Both our segments performed according to expectations, in combination with decreased costs has led to a return to profitability over the first half of 2019. EBITDA for the first half year of 2019 was USD 5.6 million, equal to the EBITDA for the first half year of 2018.
- The Group's net profit for the first half year of 2019 is USD 2.4 million versus a loss of USD 1.5 million for the first half year of 2018.

Vessel activities:

- In a tough market where the Majors demonstrated their ability to reset the cost environment through continued discipline, Oceanteam was able to win new projects for its two vessels, resulting in satisfactory utilisation rates against competitive day rates.
- CSV Southern Ocean performed under a charter agreement with McDermott from October 2018 until June 2019 followed by a time charter with Fugro for works in Malaysia commencing in July 2019. The total operational utilisation in the first half of 2019 was 82 percent. The results of the Southern Ocean are fully consolidated into the Group accounts.
- The CSV Bourbon Oceanteam 101 (CSV BO 101) remained on charter with Total in Angola for the entire first half year of 2019 creating a utilisation of 100 percent. For the CSV BO 101, 50 percent of the net result is accounted in the Group accounts, according to the equity method for accounting subsidiaries.

Solutions activities:

- Utilisation of the Solutions assets was approximately 70 percent over the first six months of 2019. This is slightly lower compared to utilisation in the first six months of 2018.
- The Solutions division secured a new contract for supplying a cable lay spread. The scope includes the hire of Oceanteam's 2000t and 4000t carousels.
- A subsea cable storage contract from 2018 was extended securing full utilisation of the deployed equipment during the first six months of 2019 and further into 2019 (long-term).

Corporate events:

- In Q1 2019 88,464,179 new shares in Oceanteam ASA ("Oceanteam" or the "Company") were admitted to trading on the Oslo Stock Exchange. The shares were issued in Q4 2018, at NOK 0.5 per share, as part of the bond debt-to-equity conversion with which the financial restructuring of Oceanteam was successfully completed and the Company's Senior Callable Bond including outstanding interest, was converted into equity in its entirety. The increase of the share capital of the Company brought leverage down to 30 percent. As a result financing costs decreased materially.
- In March 2019 Oceanteam sold its share in the Diavaz – Oceanteam joint venture companies to Diavaz in an unconditional sale in line with the Company's strategy to divest non-core activities.
- The public investigation regarding certain related parties transactions ruled by the Norwegian courts upon request by the minority shareholders is still ongoing. During the most recent AGM, held on 23 May 2019, shareholders, including those who initially supported the investigation, voted, with overwhelming majority in favour to terminate the investigation as costs are not commensurate with the potential outcome. Management, with support of the shareholders, have filed a petition with the court to stop the investigation.
- Pursuant to the Continuing Obligations of Stock Exchange Listed Companies on the Oslo Stock Exchange, the market value of a company's shares shall not be lower than NOK 1. As the share price of Oceanteam's shares has structurally been trading below the required threshold, the Board of Directors has, in line with the rules of Oslo Stock Exchange, initiated a decrease of the share capital and a reverse share split to increase the share price above the threshold.
- In the AGM of the Company, held on 23 May 2019, the shareholders have approved to move the Company's registered address to the municipality of Bærum.

KEY FINANCIAL FIGURES OF THE OCEANTEAM GROUP

Amounts in US Dollar million From the comprehensive income	Unaudited 30-6-2019	Unaudited 30-6-2018	Variance
Operating income	10.5	12.7	(2.2)
Operating expenses	2.6	3.9	(1.3)
General & administration expenses	2.3	3.0	(0.7)
Depreciation	2.8	2.9	(0.1)
Operating profit (loss) (EBIT)	**2.8**	**2.9**	**(0.1)**
Net finance costs	(1.2)	(4.4)	3.2
Net profit (loss) from continued operations	**1.6**	**(1.5)**	**3.1**
Tax income (expenses)	(0.2)	0.0	(0.2)
Profit from discontinued operations	1.0	0.0	1.0
Profit (loss) for the half year	**2.4**	**(1.5)**	**3.9**

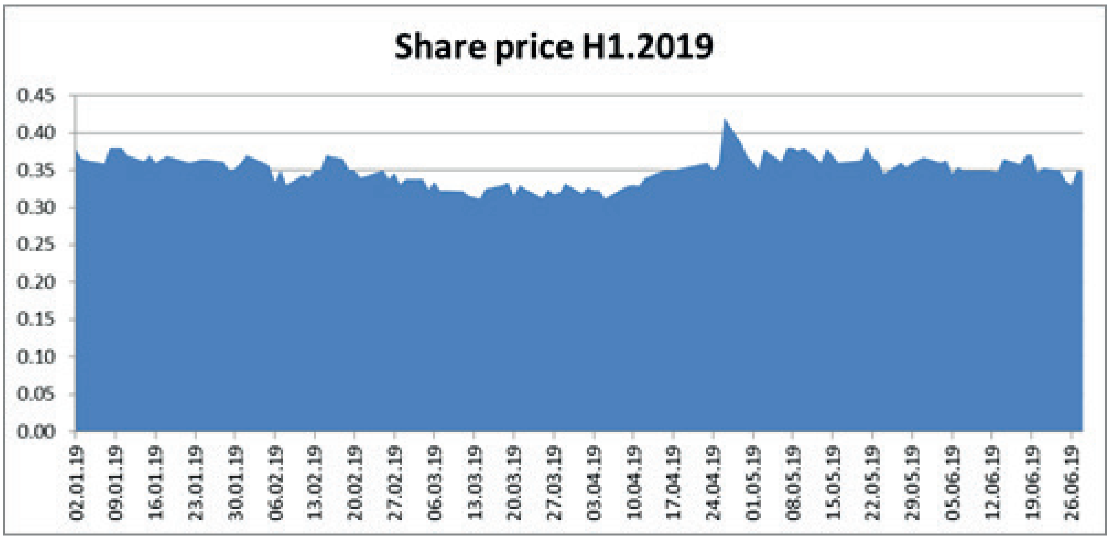
Amounts in US Dollar million From the financial position	Unaudited 30-6-2019	Audited 31-12-2018	Unaudited 30-6-2018
Vessels and other non-current assets	112.0	113.5	109.0
Current assets	14.6	13.6	16.4
Cash	4.8	7.7	9.4
Total assets	**126.7**	**127.1**	**125.4**
Interest bearing debt	29.1	33.0	35.4
Equity attributable to Owners	61.1	59.9	54.1
Non-controlling interests	30.1	28.9	23.3
Equity	**91.2**	**88.8**	**77.3**
Market Cap	**32.4**	**32.6**	**suspended trading**

Amounts in US Dollar million Key figures		Unaudited 30-6-2019	Unaudited 30-6-2018
EBITDA	Reference 1	5.6	5.6
Current ratio	Reference 2	0.41	0.37
Equity ratio	Reference 3	72%	62%
Capital Expenditures	Sec. f. Investments	-0.3	-0.1
Operating margin	Reference 4	53%	44%

Reference and definitions:

1. Operating profit (loss) plus depreciation and write off / impairment
2. Current ratio is currents assets divided by current liabilities
3. Equity ratio is total equity divided by total assets
4. EBITDA divided by Operating income

Number of shares on 30 June 2019 / 2018	789,793,138	789,793,138



2. Message from the CEO

During the first half of 2019 and despite continuing challenging market circumstances, both our Shipping and Solutions segments performed according to expectations and delivered comparable EBITDA as in the first half year of 2018. The commercial performance of our business activities combined with the sale of non-contributing activities and significantly reduced operational and financial costs, allowing Oceanteam ASA to reach a positive net result. Even disallowing for the gain on the sale of the DOT activities to our partner Diavaz (but including the costs for the on-going court investigation), the Company still achieved a positive net result. Unfortunately, the improved result did not immediately lead to improved cash flow as a result of higher outstanding receivables. The receivables are not considered bad debts and at the moment of publication of this report the receivable position has materially improved.

The overall activity of the Solutions segment was less than previous year. This was predominantly caused by general low activity levels throughout the offshore wind business caused by cyclical permitting of new offshore wind farms by the respective governments. But given the overall state of the market and its seasonal volatility, Solutions performed according to plan without any incidents. Installation of cables in the North Sea markets was slow this winter season and has given less activity than during the summer months. It was thus a conscious decision in the last quarter of 2018 to keep the carousels on a lower standby rate with existing clients as opposed to demobilising and risking clients sourcing the carousels from other suppliers. Keeping the carousels with existing clients on standby rates proved to be a positive decision as all contracts were extended and are currently earning higher rates.

The overall Shipping segment improved its EBITDA margin by 21 percent compared to the same period in 2018 and maintained the high level of utilisation that it has historically recorded. The CSV BO 101 achieved 100 percent utilisation without any price reduction and is still performing for Total in Angola as per the balance date of this report. The CSV Southern Ocean achieved 82 percent utilisation with only downtime incurred in June due to preparation and moving from its completed assignment for McDermott in India to its new deployment for Fugro in the APAC region. The downtime was the result of an unexpected but necessary extension on the charter with McDermott in India. Due to the extension the subsequent charter with Fugro had to be cancelled as the CSV Southern Ocean could not meet the delivery date. The cancellation did not have any material financial impact as it was compensated.

The decreased costs in selling, general and administrative expense and financing have significantly contributed to the positive result. The conversion of corporate debt into equity increased the equity ratio to healthy levels and reduced financing costs and expenses by 73 percent. Given our strong financial position, we believe we are well positioned to execute our strategy and not be constrained by overleverage from the past, both operationally and financially.

The outlook for the second half of the year remains as challenging as in the first six months; especially for the Shipping segment, with a further 18 months of tough recovery. The firm period (excluding optional extensions) of the charters for both vessels will end in the second half of the year (see backlog paragraph). Although the business outlook is better than one year ago, with larger greenfield, brownfield and IRM projects in the oil and gas industry, it will still take time for the planned offshore projects to materialise and be executed. In the offshore space, our clients are still very conservative to hire vessels on a longer term basis. Instead they opt for hiring on a project to project basis, resulting in less visibility and predictability. Continued capital discipline by the oil companies has helped shift pricing firmly in their favour. Notwithstanding the above, good news is that the operators recognise that in order to maintain and increase production, investments have to be made, which resulted in a number of Final Investment Decisions ("FID") being sanctioned. This will ultimately lead to longer term charter periods. It is the Company's intention to have at least one vessel under long term contract.

In addition to the oil and gas industry, the offshore renewable industry remains a segment within the offshore industry that creates a lot of activity. All industry analysts predict a healthy outlook with annual growth rate in the mid to high teens for the next 20 years. Oceanteam is actively pursuing a dialogue with end clients and contractors to play a permanent and stronger role in this industry.

The offshore renewable industry can contribute to both segments of the Company: the Solutions segment for cable transport, storage and handling, but also Oceanteam's vessels can be used for cable installation, using the Company's carousels and expertise in this field, trenching and walk-to-work. The offshore renewable industry is rapidly growing worldwide. While Taiwan, Vietnam, China, Korea, Japan and the USA are discovering wind as a new source of energy to substitute traditional fossil fuels, Europe remains the leading region for offshore wind with new developments on the horizon; floating vs fixed farms, deeper waters, further from shore, requiring longer and larger cables and larger turbines. This all leads to the use and need of larger and heavier equipment and vessels. The demand from cable manufacturers for larger carousels of up to 7.000 tonnes offers opportunities for growth for the Solutions segment. Oceanteam trusts that it can play a leading role in these developments.

It is not surprising that the outlook for the Solutions business is promising. As communicated in press releases and mentioned in this report, all existing contracts have been extended until the fourth quarter and beyond. Additionally, a transport will be undertaken from Europe to the Far East in third and fourth quarter. The revenue of this transport will be used to refurbish two existing carousels, increasing the usable fleet without any significant additional capex. Oceanteam is investing in business development to create utilisation for its fixed assets and is constantly sourcing the market to invest into new opportunities in the offshore renewable industry without losing sight of the "traditional" business.

In that respect Oceanteam remains an investment platform and is open to grow the Company as long as the investments are cash flow and earnings enhancing. The Company also remains critical to cost efficiency in its current operations. We enlarge our focus on the offshore renewable market, but we will not lose sight of any opportunities in our traditional subsea oil and gas market. This being said, in all cases, all our capital assets are equally utilised in both segments. We will test all our future investments or acquisitions against this investment criteria.

For more market insight I kindly refer to the paragraphs further in this report.

I would like to thank all stakeholders and employees for their positive contributions to the good results in first half of the year and trust that the commitment shown will position Oceanteam for further growth in the future.

Leidus Bosman
CEO Oceanteam ASA

Spooling cable in Oceanteam's 4000Te carousel

3. Corporate Identity, Mission and Vision

Oceanteam is a Norwegian listed subsea and offshore services company, with a head office in Bærum, Norway and regional offices in Amsterdam and Velsen, the Netherlands. The Company is comprised of two operating segments, Oceanteam Shipping and Oceanteam Solutions.

Oceanteam Shipping currently owns 50 percent of two high-end versatile construction support vessels, the CSV Southern Ocean and CSV BO 101. The other 50 percent is owned by Oceanteam's joint venture partner Bourbon Offshore Norway AS. Bourbon Offshore Norway AS is a 100 percent entity of Bourbon Maritime SAS. Bourbon Maritime Bourbon Maritime SAS is an independent subsidiary of the Bourbon Corporation SA. Bourbon Corporation SA and our JV companies are not affected by the reorganisation proceedings of the Bourbon Corporation SAS. Both vessels have been nearly 100 percent utilised since delivery in 2007 and 2010 respectively. Oceanteam follows the international standards of efficient and environmentally friendly offshore shipping.

Oceanteam Solutions is well positioned in the offshore wind industry, having equipment and engineering strength to manage projects that involve operational complexity. Both in the mature North Sea market as well as new emerging offshore wind markets in North America and the Far East. At this stage of the energy transition we believe we must enlarge our focus in the globally growing offshore wind industry at large, while continue to serve our clients in the subsea oil and gas segment of the offshore industry.

Our offshore services investment platform will enable Oceanteam to extend its customer base and increase the service level and capabilities towards upcoming markets especially the offshore wind market. Management is investigating to raise financing in order to fund growth opportunities in the business it is active in with strong focus on offshore wind.

We want to intensify the special relationships and cooperation with our current customers, being oil and gas companies, main offshore contractors, offshore wind park developers and owners and the subsea cable manufacturers.

Understanding that the "Everything-as-a-Service" ("EaaS") economy is rapidly changing the nature of competition, we closely look how to structure the platform which owns a diversified but focused portfolio of assets and businesses in the offshore renewable and subsea oil and gas industry to better compete in today's EaaS. We are confident that the best companies are typically organised around what they do well and – to the extent that they cannot – rely on other companies to do the rest in order to grow faster, while using less capital and resources.

For more information about the Company: www.oceanteam.no
The Company ticker on the Oslo Stock Exchange is "OTS" (www.ose.no).

4. Market outlook

OFFSHORE INSTALLATION AND SUBSEA

Since their delivery in 2007 and 2010 respectively our vessels CSV BO 101 and CSV Southern Ocean have been under long-term charter contracts. In 2018 the long-term contract for the CSV Southern Ocean came to an end. The CSV BO 101 is currently under long-term contract until late 2019. Due to the oversupplied market conditions, which we expect will continue at least until the end of 2020, and the current poor visibility of future work for the major offshore services contractors and which of the future projects they are going to win and when, those contractors are currently hesitant to enter into new long-term contracts on acceptable terms. Instead, they charter vessels on a project-by-project basis. For this reason, we have substantially strengthened our commercial activities and will continue to do so in the foreseeable future.

The offshore marine contracting fleet of ROV support vessels, multiservice vessels and diving support vessels, excluding retired and cold-stacked vessels, and not older than 20 years, consists of approximately 275 vessels worldwide today. Taking out all vessels that have a length of less than 95 m and vessels that have been converted to other functions leaves a fleet of about 55 vessels. This group of vessels is owned by ship owning companies like ourselves, and either chartered directly to oil companies or the major offshore services contractors under project-specific and long-term contracts. In addition, some of the vessels are owned directly by those major offshore services contractors to support their own services. Of this group of about 55 vessels about 35 have similar capabilities to our vessels and are theoretically direct competitors for work. Given the good feedback about our crew and vessel specifications and operation capabilities that we receive from our clients, in addition to the long track record of our fleet in working in Africa, India and the APAC region, we are confident that we will continue to charter out our vessels on competitive terms.

At the same time, we see higher activity levels with more projects competing for Final Investment Decision (“FID”) in 2019 and 2020. Market & Industry research analyst Wood Mackenzie listed 25 major offshore shallow and deepwater project FIDs each year in 2017 and 2018 and forecasts 36 offshore FIDs in 2019, half in shallow water and half in deepwater. By August 2019 seven shallow and seven deepwater projects have been sanctioned where brownfields/expansions and tiebacks continue to be prominent. Likewise, Bernstein Research listed 22 offshore FIDs in 2017 and 35 in 2018. First half 2019 saw 14 FIDs, which means that another 29 projects needs to be sanctioned to reach the forecast of 43 FIDs in 2019. Citi expects circa 40 projects to reach FID in 2019. Summarising, all major analysts foresee a significant uptake in FIDs for 2019. Although we also believe offshore reinvestments are needed and indeed the market is improving, we do, however, see a further 18 months of tough recovery. The FIDs should normally lead to additional capex. Subsea capex is expected to increase from USD 7.2 billion in 2019 and 2020 to USD 8.3 billion in 2021 growing to USD 9.3 billion in 2023 (Goldman Sachs). This higher activity is also seen in more oil companies testing the market for long-term charters of vessels needed for their new major deepwater developments being sanctioned or to be sanctioned within a short period. In that respect we expect more charter activity for work in 2021 and beyond.

The global subsea, umbilical, riser and flowline (“SURF”) forecast will see a clear dip in installation activity in 2019 before marking a structural increase in 2020 and beyond. Many of the contracts awarded in 2018 were smaller in value and required fewer days for the offshore campaigns contributing to the oversupply of assets. The vessel utilisation rate for the fleet of the tier-1 marine contractors (McDermott, Subsea 7 and TechnipFMC) was at an average of 65 percent in 2018 (versus 100 percent for our two vessels). Fortunately, tendering activity in the SURF market, the segment both of our two vessels are currently active in, has significantly increased in the first half year of 2019 with 24 major Engineering, Procurement, Construction and Installation (EPCI) contracts been awarded. Although tendering activity has increased, pricing today still remains competitive as there is still an oversupply of vessels. Various research analysts expect pricing improvements in 2021 and 2022 where it is expected installation demand to rise to higher levels and vessel utilization rates could rise towards the 80 percent level in 2021 and beyond.

Historically, pricing begins to rise in the low-80s percentage delivering potential for greater margin ramp in 2021-2022. In the meanwhile, as long as vessel utilisation levels are in the 50 to 75 percent levels, focus is squarely on maximizing utilisation of the vessels and less so on maximizing charter rates.
Finally, deepwater drilling contract awards increased 60 percent in the first half of 2019 compared to the first half of 2017 and 155 percent since the first half of 2016. Market analysts are projecting a steady improvement in deepwater awards, with some regions recovering quicker than others.

This being said, we take a more conservative view than the analysts in general and put effort in entering into long-term charter contracts to create visibility and predictability of our cash flows. Current markets show that these longer charters are offered more in the renewable industry than the (traditional) oil and gas industry, which offer charters on a project-by-project basis.

OFFSHORE WIND

The offshore wind market is growing fast. The global offshore market has doubled its capacity every three years since 2009 from 2 GW to 27 GW in 2019, a 10-fold increase over the last decade. Most of this was in Europe (21 GW), followed by 5 GW installed in Asia. The production costs of electricity from wind offshore has fallen 60 percent from Euro 150/MWh in 2009 to Euro 60/ MWh today (Source Goldman Sachs). According Goldman Sachs, the global offshore market could increase eight-fold to 113 GW in 2025 and 207 GW in 2030, of which about 90 GW in Europe, 20+ GW in the U.S. and another 65 GW in Asia. According IHS, the global offshore wind market is set to install over 430 GW of new capacity by 2050, the total installed capacity to grow from 20 GW in 2017 to about 450 GW in 2050. Moreover, feasibility studies by WindEurope and the U.S. DOE suggest a total offshore capacity potential adjusted for economic viability of circa 3,000 GW in Europe and the U.S. combined, or 14x larger than Goldman Sachs' 2030 estimate. The amount involved is over USD 1 trillion, or USD 31 billion annually.

The offshore wind industry, with its roots in Northwest Europe, is maturing with falling costs and increased competition. Costs have been falling because of larger turbines, value-chain consolidation, industry know-how, economies of scale and lower financing costs. The participation is changing rapidly, with the traditional utilities now firmly re-establishing themselves as the prime developers of offshore wind parks, and several oil and gas companies now also entering the field to win offshore wind park projects auctioned by governments. Goldman Sachs sees further cost reductions to Euro 46/MWh in 2030 supporting capacity expansion for many years to come. Moreover, they estimate that by 2024, offshore wind LCOE in Europe will be at a discount to the average merchant price of Euro 50/MWh that they forecast by then across Europe.

IHS conservatively forecasts cumulative gross additions in the range of 52 and 65 GW between 2018 and 2025. Goldman Sachs is more aggressive, seeing the global installed capacity additions in offshore wind circa 80 GW. Top-10 markets are mainland China with a 22 percent share of the cumulative gross additions between 2018 and 2025, the United Kingdom (17%), The Netherlands (11%), France (7%), Germany (7%), the United States (6%), Turkey (4%), Denmark (3%), Belgium (3%), Poland (3%) and the rest of the world with a 16 percent share.

The value chain of the offshore wind industry is dynamic and consolidating. The value chain includes the following players: the first group of players are the technology providers, who supply the wind turbines, foundations and power cables, such as Siemens, Vesta, MHI, GE, Prysmian, JDR, NKT cables, SIF, etc. The second group are the project developers, predominantly the (national) utilities such as Orsted, Eneco, RWE, Iberdrola and Vattenfall, several oil and gas companies and some specialised offshore wind park developers. The third group are the EPCI contractors. This group include the large Dutch and Belgium marine construction and dredging companies, such as Boskalis, Van Oord, Jan de Nul and DEME, the marine contracting companies out of the offshore oil industry such as

Heerema Marine Contractors, and Subsea7. Last but not least, the owners of the wind parks and the operators play a substantial role in this industry. This group comprises many of the same companies as the developers supported by financial infrastructure funds and pension funds, which are taking increasingly larger equity stakes once projects are built and enter the operate phase.

In the field of cable handling, logistics, storage and transportation, the market is growing as fast as the rest of the offshore wind industry. The business is also changing from pure rental of carousels and ancillary equipment, cable storage and one-off cable transport contracts, to more service oriented integrated solutions. There is an expectation that customers will demand for more tailored, integrated solutions on a global basis. In addition, scale and size becomes more important as wind parks become bigger, more complex and more international. With the growing size and complexity of larger offshore wind parks and the locations further offshore in deeper and more hostile waters, it is expected that EPCI contracts become more common for the cable solutions part of the project as well, either directly for this part of the work, or as sub-contractor of the main-contractors. Oceanteam targets all the above mentioned players in the offshore wind industry and develops and offers a range of services, starting from a simple rental of equipment to a complex tailored logistics service package including rental of equipment, cable transportation and cable storage and handling services with the aim to participate in the market growth and position itself as preferred offshore wind subcontractor.

OIL DEMAND AND SUPPLY AND INDUSTRY DYNAMICS

After several years of exceptionally strong oil demand growth, the annual demand growth forecast for 2019 has been reduced to 1.1 million b/d by the International Agency on July 17, 2019 from last year's forecast of 1.5 million b/d due to a slowing global economy amid a U.S. – China trade spat. This latest forecast is in line with our own internal base case we established ourselves in the first quarter of the year. Consensus forecasts show a demand growth rebounding to 1.4 million b/d in 2020. We recognize that the outlook is murky for global oil demand driven by slowing activity, escalating trade wars and geopolitical uncertainty. Given that we are late in the cycle and with global economic data points disappointing, we are questioning whether such rebound will indeed materialize.

On the supply side, OPEC decided in July 2019 to make room for U.S. shale, targeting exclusively on managing aggressively global oil inventories. Total U.S. oil production is expected to increase 1.3 million b/d in 2019. U.S. NGLs will add another 0.5 million b/d this year, while Non-OPEC ex U.S. will increase with 0.2 million b/d. The gross U.S. oil liquids (oil +NGLs) growth of 1.8 million b/d this year is lower than the 2.2 million b/d last year. OPEC supply will decrease this year due to unplanned outages in Iran and Venezuela in particular and the extension of the voluntarily production cuts. On 2 July 2019 Saudi Energy Minister announced that the OPEC+ cuts would target a return to a 2010-2014 average inventory level. In that respect, Saudi Arabia shows willingness to lower market share for OPEC to maintain balanced inventory levels, and thus to keep oil prices from the risk of falling. With OPEC extending its output cuts, its share of the oil market is all but certain to drop below 30 percent for the first time since 1991. Most of the OPEC cuts are actually coming from unplanned crude oil production outages of 1.7 million b/d in Iran, helping the other OPEC+ members to cut less than otherwise would have been required. In addition, Venezuelan oil production dropped about 0.5 million b/d in the first half year 2019, with an expected further fall of 0.35 million b/d later this year. Taking all supply regions together, world oil liquids supply is expected to grow by 0.6 million b/d this year, further reducing the inventory levels in the second half year 2019 on the assumption oil demand growth does stay at forecasted levels. As a result, oil prices are still expected to increase after summer due to lower inventory levels. Concerns by rising Middle East tensions, particularly around the Strait of Hormuz, a vital shipping route through about 17 million b/d of oil, or about a third of the oil traded globally, passed daily, will also add to upward price pressure.

2020 will be another year where we will be awash with oil. U.S. oil liquids supply will likely increase in a similar fashion as 2019. Non-OPEC ex U.S. will increase to 0.5 million b/d in 2020 and OPEC will not see a further material cut compared with what they have cut in 2019. This leads to an expected total oil liquids supply increase of 2.2 million b/d, a material increase versus the 0.6 million b/d forecasted for 2019. This large increase is far higher than forecasted demand growth and requires a deepening of the cuts in order to avoid a strong inventory build.

2020 is seen as the final year the market is structurally oversupplied with substantial market improvements foreseen for the years thereafter. Annual U.S. shale supply growth is forecast to half in the early years of the next decade due to a combination of (new) shareholders in shale oil companies demanding capital disciple with a stronger focus on corporate returns, free cash flow, dividends and less on volume growth; and acknowledging that the industry is in the mid to later stages of efficiency gains, both with respect to costs and productivity, resulting in a gradual but structural decrease in annual growth in the next decade. As non-OPEC ex U.S. will also face an annual decrease in total oil liquids supply, requiring more OPEC+ oil supplies to meet global demand growth. Oil companies are aware of this situation and it is expected that more new projects will be sanctioned accordingly, resulting in more work for the oil services industry over time. This is further helped more exploration drilling and by the large volumes that are discovered recently. Nevertheless, oil companies will only sanction those deepwater projects that are truly competitive with U.S. shale. Fortunately, the number of oil rigs drilling for oil in the US shale basins has fallen more or less continuously for the last months since the start of the year. The latest number of rigs drilling for oil now stands at 754 and is down -134 (-15%) since November 2018. This will of course slower new supplies from the US.

Oceanteam's 4000Te and 2000Te carousels during cable installation works

5. Board of Directors and Management Team

Board of Directors
Keesjan Cordia, Chairman of the Board of Oceanteam ASA since April 2018
Karin Govaert, Member of the Board of Oceanteam ASA since April 2018
Jan-Hein Jesse, Member of the Board of Oceanteam ASA since July 2018

Management Team
Leidus Bosman, CEO of Oceanteam ASA
Henk Hazenoot, Interim CFO of Oceanteam ASA

6. Report of the Board of Directors

a. CORPORATE STRUCTURE

Oceanteam ASA is the parent company of a group of companies (together the "Oceanteam Group"). These subsidiary companies are grouped under two operating segments: Oceanteam Shipping and Oceanteam Solutions.

Oceanteam Shipping comprises Oceanteam's deepwater construction support vessel companies and fast support vessel companies, including incorporated joint venture companies partly owned by Oceanteam.

Oceanteam Solutions comprises of Oceanteam companies active as a service provider to the offshore renewable and oil and gas industry with the supply of rental equipment and services for the installation, transportation, storage and handling of subsea cables.

The majority of the subsidiary companies are incorporated in Norway and in the Netherlands.

b. BUSINESS ACTIVITY

The Group delivers high spec assets and unique services to the offshore renewable and oil and gas industry. Through its Oceanteam Shipping division, Oceanteam owns, charters and manages two high-end deep water offshore Construction Support Vessels (CSV's). Through its Oceanteam Solutions division, Oceanteam provides a complete set of high quality rental equipment (demountable carousels, tensioners and other cable handling equipment) and tailored solutions for the installation, transportation, storage and handling of subsea cables. Currently, Oceanteam is active in its traditional subsea oil and gas business as well as in the offshore renewable energy business.

c. OCEANTEAM SHIPPING

Oceanteam Shipping owns, charters and manages two deepwater construction support vessels (CSV's), being the CSV Bourbon Oceanteam 101 (BO101) and the CSV Southern Ocean.
The CSV BO 101 continued a multi-year charter contract in Angola for Sonasurf and TOTAL E&P Angola. The contract, which commenced in 2016, has a firm duration of three years and two one-year options. Both vessels could be put at work in the Shipping and Solutions segments. Carousels could be easily placed on deck of the vessels making them perfectly suitable for cable installation works. The vessels could also be used for trenching and ROV-supported inspection, maintenance and repair.

The CSV Southern Ocean has finalised her charter contract with McDermott in India in June 2019. During the return from India a generator failed and needed repairing. This incident is largely insured and does not have an impact on the current charter.

After completion of the work in India, the CSV Southern Ocean returned to Malaysia, supporting Fugro with a deepwater ROV subsea installation project off the coast of Sabah.

Oceanteam still owns two fast support vessels in Venezuela. Both vessels were fully written off in previous years and do not generate any result.

DOT SHIPPING

Oceanteam and its Mexican partner Diavaz reached an agreement to terminate the joint venture structure set up by the two groups, established in 2014 in order to service the Mexican offshore market, in which Oceanteam held 40 percent. Oceanteam's stake has been taken over by Diavaz for USD 950.000.

The decision is in line with the revised strategy of the Company to divest non-core activities.

d. OCEANTEAM SOLUTIONS

Oceanteam Solutions focuses on providing a complete set of high quality equipment and services suitable for offshore cable installation, on- and offshore cable storage and cable transport in close collaboration with Oceanteam's other business unit. The division, which was established in 2009, has a long track record as a service provider to the offshore renewable and oil and gas industry. It has a pool of experienced staff that, combined with Oceanteam's owned equipment, vessels and engineering capabilities, has the ability to provide a complete range of Lloyd's ISO certified solutions to its clients. Multiple cable storage projects, cable handling activities and rental of equipment were ongoing and the Company's main assets remained under contract in the first half of 2019.

e. BACKLOG

The backlog for Oceanteam Shipping has shortened in time as the charter contract for CSV BO 101 comes closer to the agreed end-date of the firm term (November 2019 with possible extensions into 2020).

CSV Southern Ocean completed its latest contract for Fugro for works in Malaysia in August 2019. No new work has yet been awarded and the vessel is performing necessary maintenance work in the meantime. The Company is actively engaging with its current clients for renewal of the charter contracts and with new clients to win new contracts. All current clients have expressed their satisfaction regarding the quality of the vessels and crew.

Although there is uncertainty as to when exact actual demand will pick up the Company remains positive and believes that the long-term fundamentals of the relevant markets and regions where it operates remain strong and that it is well placed to ride the next upturn in these cyclical markets. Oceanteam is optimistic that the unique characterises of its large CSV's will place the Company in an advantageous position to re-contract the vessels with industry leaders at reasonable day rates.

Multiple cable storage projects, cable handling activities and rental of equipment are ongoing and the Company's main assets will remain under contract until late 2019 and onwards following several extensions under existing services and rental agreements.

f. COMMENTS RELATED TO THE FINANCIAL STATEMENTS

INCOME STATEMENT

Total operating income of the Oceanteam Group decreased to USD 10.5 million in the first half year 2019 compared to USD 12.7 million in the first half of 2018. Nevertheless, EBITDA remained at the same level as over the same period in 2018: USD 5.6 million. Whilst the Net Result improved from a loss of USD (1.5) million over the first half year of 2018 to USD 2.4 million over the same period in 2019.

Shipping segment:
For transparency and completeness, the CSV BO 101 is not fully consolidated into the Oceanteam accounts but reported on equity basis and only 50 percent of the Net Result is taken into Oceanteam's revenue. The revenue from the shipping company Oceanteam Bourbon 4 AS increased from USD 7.5 million in the first half 2018 to USD 8.0 million in the first half year 2019. Although CSV Southern Ocean had less operational days, the charter hire rate for part of the charter period was higher. The operational expenses for the reporting period were lower than anticipated.

The total operating income includes the net income from associates/joint ventures of USD 1.1 million in the first half year 2019, which represents the (50%) net income from the joint venture company Oceanteam Bourbon 101 AS (first half of 2018: net income of USD 0.8 million). The higher net income from the joint venture is the result of lower shipping costs for the reporting period.

EBITDA of the whole Shipping segment was USD 1.0 million higher in 2019 compared to the same period in 2018. A higher EBITDA and lower financial expenses leads to a positive Net result from continued operations of USD 1.8 million over the first half of 2019 compared to a loss of USD (2.1) million over the first half of 2018.

The Net result from discontinuing operations concerns the sale of the DOT Holding to the joint venture partner Diavaz.

Solution segment:
The revenue of Oceanteam's Solutions business for the first half of 2019 is USD 1.4 million compared to USD 4.4 million for the first half of 2018. During the first half of 2019 Oceanteam's Solutions business continued to service its existing long-term contracts and revenue represented equipment rental and cable storage income. In the first half of 2018 Oceanteam Solutions successfully finalized a project for NKT Germany.

The operational costs of the Solutions division for the reporting period are lower compared to the same period in 2018 due to less projects executed, whereas the fixed costs related to the overall equipment base remained unaltered. EBITDA of the Solutions segment remained positive at USD 0.1 million for the first half of 2019. But despite the positive EBITDA, the Net result from continuing operations ended with a slight loss of USD (0.4) million over 2019 compared to a profit of USD 0.6 million over the same period 2018.

Operating costs:
Combined operating expenses include operating costs, general & administration expenses, depreciation & amortization, and write offs/impairment. Total operating expenses for the first half of 2019 amounted to USD 7.7 million (first half of 2018: USD 9.8 million) resulting into a substantial decrease of USD 2 million. The main reasons for the decrease are the lower operating costs for the vessel and a demob project for a major client delayed until third quarter of 2019.

The G&A costs have decreased due to lower personnel costs, consultancy costs, professional fees, auditor's fee and costs for the inquiry. Depreciation in combination with write offs / impairments is on the same level as 2018.

The above facts resulted in a small decrease of operating profit before discontinued operations in the first half of 2019 to USD 2.8 million compared to USD 2.9 million in the first half of 2018, however, measured as a percentage of total operating income the margin increased with 3,4 percent.

In the first half of 2019 the financial expenses have been materially lowered to USD 1.2 million versus USD 4.4 million in the first half of 2018. The successful bond debt conversion into equity in Oceanteam ASA and quarterly repayment of principal under the ship finance loan facilities have substantially lowered the outstanding debt of the Group and hence lowered the financial (interest) expenses.

BALANCE SHEET AND CAPITAL STRUCTURE

Total assets at the end of the reporting period amounted to USD 126.7 million, compared to USD 127.1 million at 31 December 2018. Equity as a percentage of total assets was 72 percent per 30 June 2019, compared to 70 percent per 31 December 2018.

Oceanteam has diversified capital sources consisting of equity, bank and shareholders' loans. The equity (share capital of the Company) is divided into 789,793,138 shares with a nominal value of NOK 0.50 each.

The shipping division charters and manages two deep water construction support vessels, owned by two vessel owning companies, 50 percent of the shares of which are owned by Oceanteam. The shipping company Oceanteam Bourbon 4 AS for the CSV Southern Ocean has been fully consolidated. With respect to the shipping company Oceanteam Bourbon 101 AS for the CSV BO 101, this company is consolidated according to the equity method. Together with Oceanteam Solutions' equipment, non-current assets, property, plant and equipment was USD 110.8 million on 30 June 2019 (31 December 2018 USD 112.2 million).

There is a credit and guarantee facility with the joint venture entities Oceanteam Bourbon 4 AS and Oceanteam Bourbon 101 AS as borrowers and SpareBank1 SMN, DVB Bank SE Nordic Branch and NIBC Bank N.V. as lenders ("The Bourbon Oceanteam 4 and Bourbon Oceanteam 101 Facility"). The Bourbon Oceanteam 4 and Bourbon Oceanteam 101 Facility is only partly consolidated into the Groups accounts, as Oceanteam Bourbon 4 AS is classified as a subsidiary (consolidated) whilst Oceanteam Bourbon 101 AS is classified as an associated company (not consolidated). As of 30 June 2019 the balance of the Bourbon Oceanteam 4 and Bourbon Oceanteam 101 Facility which is consolidated in the Group's Financial Statements was USD 29.1 million.

VESSELS AND EQUIPMENT, INVESTMENT IN ASSOCIATES AND JOINT VENTURES

The net book value of vessels and equipment was USD 94.8 million on 30 June 2019 (31 December 2018: USD 97.4 million). This represents the CSV Southern Ocean and Solutions equipment. The historical cost of the CSV Southern Ocean, which is fully consolidated on the balance sheet, was USD 171.1 million on 30 June 2019; this includes an addition of USD 0.2 million as capital expenditure over the first half of 2019. The carrying amount of the vessel (net book value after depreciation and impairment) was USD 79.8 million (31 December 2018: 81.7 million). The latest fair market value for the CSV Southern Ocean has been estimated by two independent surveyors in the second quarter of 2019. The average value is USD 87 million.

The historical cost of Equipment and fast support vessels was USD 49.7 million on 30 June 2019. The carrying amount as per that date was USD 15.0 million, only representing the Solutions equipment.
The Investment in associates and joint ventures was USD 16 million on 30 June 2019 (31 December 2018: USD 14.9 million). This is the investment in Oceanteam Bourbon 101 AS, the company being consolidated according to the equity method. The net book value of the CSV BO 101 was USD 49.0 million on 30 June 2019.

The Total Non-current assets of USD 112.0 million represents 88.4 percent of the total assets (31 December 2018 89.3%). In aggregate the net book value of CSV Southern Ocean and CSV BO 101 was (on a 100 percent basis for both vessels) USD 128.7 million. For clarity, only the CSV Southern Ocean is accounted for as fixed asset on the balance sheet. For the CSV BO 101 the valuation by two independent surveyors is made only at year end. As per 31 December 2018 the value was USD 63.5 million.

g. GOING CONCERN

In accordance with the Accounting Act § 3-3a Oceanteam ASA confirms that the financial statements have been prepared under the assumption of going concern. This assumption is based on income forecasts for the years 2019 – 2020 and the Group's long-term strategic forecasts. The market has been experiencing a downturn which has had a direct impact on the performance and liquidity of the Group. Liquidity forecasts going forward are for modest but positive cash flows. The Directors have considered all available information about the future when concluding whether the Company is a going concern at the date they approve the financial statements. The review covers a period of at least twelve months from the date of approval of annual report.

Detailed disclosure note on future cash flows period of 12 months (from 1 June 2019 until 30 April 2020) with underlying key assumptions are available in the annual report 2018 within Financial Statement disclosure Note 3. There is inherited risk in cash flow estimates for Company ability to secure new contracts within its business segments. However, the Company has plans to mitigate the constraint through various actions. Reference is made to the disclosures for detailed information about various risks in the annual report 2018 and how the Company is mitigating these.

Revenue streams from the contracts within the Shipping segment running for 2 months and 5 months after balance sheet date are highly predictable. The financing of these vessels is similarly stable and secured by a long term contract coverage. The main risks related to the Shipping segment relate to securing contract coverage for the vessels in 2019 and onwards. While the CSV BO 101 is firmly contracted until November 2019 with possible extensions into 2020, the Southern Ocean has just finished its contract for Fugro in Malaysia and has no commitment yet. The net result for the second half of the year could therefore be negatively impacted.

The Solutions segment has experienced pricing pressure as volumes dropped across the segment; the Company's focus is on utilisation above pricing and is covering its cost. With the expected growth in offshore renewable energy we expect improvement on volume and pricing.

h. EVENTS AFTER THE BALANCE SHEET DATE

In July 2019 Solutions won a contract for rental of two 2000t demountable carousels, technicians and engineering services for subsea cable transport and loadouts.

In July 2019 Solutions extended a subsea cable storage contract with one of Europe's biggest cable manufacturers.

As of July 2019 the CSV Southern Ocean is under contract with Fugro for a deep water ROV subsea installation project off the coast of Sabah, Malaysia.

In August 2019 the contract with Total for the CSV BO101 has been extended until November 2019 with an option for another extension of three months into the first quarter 2020.

Spooling operations at cable storage facility Velsen, the Netherlands

7. Confirmation from the Board of Directors and CEO

We confirm to the best of our knowledge that the condensed set of financial statements for the period 1 January to 30 June 2019 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by EU, and additional requirements found in the Norwegian Securities Trading Act, and gives a true and fair view of Oceanteam ASA's consolidated assets, liabilities, financial position and result for the period. We also confirm to the best of our knowledge that the financial review includes a fair review of important events which have occurred during the first six months of the financial year and their impact on the financial statements, any major related party transactions, and a description of the principal risks and uncertainties.

Bærum Norway, 30 August 2019

The Board of Directors and CEO of Oceanteam ASA

Keesjan Cordia	Karin Govaert	Jan-Hein Jesse	Leidus Bosman
Chairman	Director	Director	CEO

8. Financial statements

Consolidated statement of profit or loss and other comprehensive income

(UNAUDITED FOR THE SIX MONTHS ENDED 30-6-2019)

GROUP

USD '000

	Notes	(Unaudited) 30-6-2019	(Unaudited) 30-6-2018
Revenue		9.388	11.962
Net income from associates/joint ventures		1.131	751
Total operating income	**3**	**10.519**	**12.713**
Operating costs	3	(2.557)	(3.936)
General & administration		(2.321)	(3.043)
Depreciation and amortisation	4	(2.856)	(2.694)
Write off / Impairment		0	(100)
Total operating expenses		**(7.735)**	**(9.772)**
Operating profit (loss)		**2.784**	**2.941**
Financial expense		(1.101)	(4.202)
Foreign exchange results (loss)		(71)	(190)
Net finance	**6**	**(1.172)**	**(4.391)**
Ordinary profit / (loss) before taxes		**1.612**	**(1.450)**
Tax expense		(159)	0
Profit / (loss) from continuing operations		**1.453**	**(1.450)**
Profit from discountinued operation	7	950	-
Profit / (loss) for the period		**2.402**	**(1.450)**
Other comprehensive income/cost		-	-
Total comprehensive income for the period		**2.402**	**(1.450)**

Consolidated statement of profit or loss and other comprehensive income

(UNAUDITED FOR THE SIX MONTHS ENDED 30-6-2019)

GROUP

USD '000

	Notes	(Unaudited) 30-6-2019	(Audited) 30-6-2018
Profit (loss) attributable to:			
Owners of the company		1.293	(2.520)
Non controlling interests		1.110	1.070
Profit (loss)		**2.402**	**(1.450)**
Total comprehensive income attributable to:			
Owners of the company		1.293	(2.520)
Non controlling interests		1.110	1.070
Total comprehensive income for the period		**2.402**	**(1.450)**
Earnings per share (in USD)			
Basic earnings per share (in USD)		0	(0)
Dilutive earning per share (in USD)		0	(0)
Weighted average of shares during the period		786.858.962	280.199.212

Consolidated statement of financial position

(UNAUDITED FOR THE SIX MONTHS ENDED 30-6-2019)

GROUP

USD '000

	Notes	(Unaudited) 30-6-2019	(Audited) 31-12-2018
Assets			
Non-current Assets - Property, plant and equipment			
Investment in associates and joint ventures	7	15.996	14.865
Vessels and equipment	4	94.771	97.361
Total		**110.767**	**112.226**
Non-current Assets - Other			
Deferred tax assets		1.250	1.250
Intangible assets		(0)	(0)
Total		**1.250**	**1.250**
Total non current assets		**112.017**	**113.476**

Current Assets			
Trade receivables		8.986	2.764
Other receivables		862	3.131
Total receivables		**9.848**	**5.895**
Cash and cash equivalents		**4.786**	**7.729**
Assets held for sale		-	-
Total current assets		**14.634**	**13.625**
Total assets		126.651	127.101

Consolidated statement of financial position

GROUP

USD '000

	Notes	(Unaudited) 30-6-2019	(Audited) 31-12-2018
Equity and liabilities			
Share capital		50.807	50.807
Treasury shares		(256)	(256)
Share premium		1.304	1.304
Reserves		9.252	7.959
Equity attributable to owners of the Company		**61.107**	**59.814**
Non-controlling interests	5	30.050	28.941
Total non-controlling interests		**30.050**	**28.941**
Total equity		**91.157**	**88.755**
Loans and borrowings	6	-	-
Total non current liabilities		**-**	**-**
First year installments	6	29.130	33.015
Trade payables		2.671	1.949
Tax payable		159	57
Public charges		58	96
Liabilities for sale		-	-
Other current liabilities		3.476	3.228
Total current liabilities		**35.494**	**38.346**
Total liabilities		**35.494**	**38.346**
Total equity and liabilities		**126.651**	**127.101**

Consolidated statement of changes in equity

(UNAUDITED FOR THE SIX MONTHS ENDED 30-6-2019)

GROUP

USD '000	(Unaudited) 30-6-2019	2018
Equity at period opening balance (Number of shares: 789,793,138)	**88.755**	**39.672**
Profit after taxes majority	2.402	(95)
Treasury shares	-	-
Issued new shares	-	48.212
Capital increase related to Oceanteam Bourbon 4 AS	-	3.463
Other equity related to issued new shares*	-	(2.498)
Equity at period end (Number of shares: 789,793,138)	**91.157**	**88.755**

Consolidated statement of changes in equity

	Share capital	Treasury shares	Share premium	Other equity	Non-controlling interests	Total equity
Equity at 1 January 2019	50.807	(256)	1.304	7.960	28.940	88.755
Profit and loss				1.293	1.110	2.402
Total comprehensive income	-	-	-	1.293	1.110	2.402
Equity per 30 June 2019	**50.807**	**(256)**	**1.304**	**9.253**	**30.050**	**91.157**

Consolidated statement of changes in equity

	Share capital	Treasury shares	Share premium	Other equity	Non-controlling interests	Total equity
Equity at 1 January 2018	2.595	(256)	1.304	13.792	22.238	39.672
Profit and loss				(3.334)	3.239	(95)
Total comprehensive income	**-**	**-**	**-**	**(3.334)**	**3.239**	**(95)**
Conversion of bond loan to shares*	45.027			(2.498)		42.529
Conversions of other debt to shares*	684					684
Share issue*	2.500					2.500
Capital increase related to Oceanteam Bourbon 4 AS*					3.463	3.463
Equity per 31 December 2018	**50.807**	**(256)**	**1.304**	**7.960**	**28.940**	**88.755**

No changes in equity other than results for half year 2019.

* For further information, please refer to the financial statements 2018

Consolidated Condensed Interim Cash Flow Statement

(UNAUDITED FOR THE SIX MONTHS ENDED 30-6-2019)

GROUP

USD '000

	Notes	30-6-2019	30-6-2018 Restated
Ordinary profit (loss) before taxes		**1.612**	**(1.450)**
Tax		(159)	
Ordinary profit (loss) after taxes		**1.453**	**(1.450)**
Depreciation and amortisation of tangible assets	3, 4	2.856	2.694
Tax paid		102	(4)
Net income of associates	7	(1.131)	(751)
Write off assets			100
Proceeds of sale assets*	7	950	
Fair value adjustment on refinancing of bond / amortisation of fair value adjustment			1.778
Change in trade receivables		(6.222)	233
hange in other receivables		2.269	2.429
Change in trade payables		722	(1.867)
Change in other accruals		210	(2.241)
Effects from change in accounting principle and other changes			1.199
Net cash flow from operating activities		**1.208**	**2.119**
Cash out due to investments		(266)	(95)
Cash in due to disposals			14
Cash in due to disinvestments			
Net cash flow from investing activities	**4**	**(266)**	**(82)**
Issuing of new debt	6	104	1.520
Repayment of debt		(4.050)	(3.989)
Borrowings cost (spread)		61	
Dividend paid / decrease in paid-in capital to non-controlling interest			
Net cash flow from financing activities		**(3.885)**	**(2.470)**
Conversion bond loan to equity			
Issued new shares			
Changes in equity related to the conversion			2.500
Net cash from changes share issue		**-**	**2.500**

Net change in cash and equivalents	**(2.944)**	**2.068**
Cash and equivalents at start of period	**7.729**	**7.301**
Cash and equivalents at end of period**	**4.786**	**9.368**

* Related to the sale of the DOT companies

** restricted cash is USD 2.5 million. In addition to the cash and cash equivalents per 30 June 2019, the Group holds treasury shares of approximatley USD 0.1 million in current market value.

9. Notes

Note 1. Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2019 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2018.

Note 2. New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective

Note 3. Operating segments

The Group has two segments, Oceanteam Shipping and Oceanteam Solutions. Oceanteam Solutions consist of engineering and equipment business. Oceanteam Shipping consists of bareboat hire, timecharter hire, provision of crew and other operational services. The current segments are the Group's strategic divisions.

The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the Group's CEO (the chief operating decision maker) reviews internal management reports on a monthly basis.

There is no difference between the accounting policies of the reportable segments or between the reporting segments and the group. Intersegment revenues and costs relate to management fees charged between Oceanteam group companies. These are based on a cost plus margin basis.

The following summary describes the operations in each of the Group's reportable segments for the six months ended 30 June 2019 and 30 June 2018, respectively.

USD '000	Oceanteam Shipping		Oceanteam Solutions		TOTAL	
		Restated		Restated		
	30-6-2019	30-6-2018	30-6-2019	30-6-2018	30-6-2019	30-6-2018
Revenue	8.021	7.544	1.367	4.418	9.388	11.962
Net income from associates/joint ventures	1.131	751	-	-	1.131	751
Operating cost	(2.199)	(1.781)	(359)	(2.154)	(2.557)	(3.936)
G&A	(1.389)	(1.911)	(932)	(1.132)	(2.321)	(3.043)
EBITDA	**5.564**	**4.603**	**76**	**1.132**	**5.640**	**5.735**

Intersegment revenue	-	-	158	158	158	158
Intersegment cost	(158)	(158)	-	-	(158)	(158)
Depreciation and Amortisation	(2.260)	(2.175)	(596)	(520)	(2.856)	(2.694)
Write off / Reversal of impairment	(0)	(100)	-	-	(0)	(100)
Reportable segment operating profit / (loss)	**3.146**	**2.171**	**(363)**	**770**	**2.784**	**2.941**
Financial income	-	-	0	0	0	0
Financial expense	(1.098)	(4.169)	(3)	(33)	(1.101)	(4.202)
Foreign exchange effects	(53)	(101)	(18)	(88)	(71)	(190)
Net finance	**(1.151)**	**(4.270)**	**(21)**	**(121)**	**(1.172)**	**(4.391)**
Pre-tax profit / (loss)	**1.995**	**(2.099)**	**(384)**	**649**	**1.611**	**(1.450)**
Income tax	(159)	-	-	-	(159)	-
Net result from continuing operations	**1.836**	**(2.099)**	**(384)**	**649**	**1.452**	**(1.450)**
Net result from discontinuing operations	**950**	**-**	**-**	**-**	**950**	**-**
Net result for the period	**2.786**	**(2.099)**	**(384)**	**649**	**2.402**	**(1.450)**

Information on the reportable assets and liabilities is not reviewed by the Group's CEO (the chief operating decision maker). On this basis and given this disclosure information is not considered material, this information has not been disclosed.

"The Shipping segment consist of two operating CSV vessels. The two vessels worked outside Europe in 2019. One of the CSV vessels is consolidated according to equity method, while the other CSV vessel, CSV Southern Ocean, is fully consolidated. Administration expenses in Oceanteam ASA are allocated to Shipping segment since material resources from Oceanteam ASA are allocated to Shipping segment. The Oceanteam Solutions segment consist of equipment business from RentOcean, an equipment department organized under Oceanteam ASA. Administration expenses in Oceanteam Shipping BV are allocated to equipment business due to RentOcean.

Note 4. Tangible assets

USD '000

Carrying values	Southern Ocean	Fast Support Vessels, Machinery & other	Total
Carrying values per 1 January 2019	81.735	15.626	97.361
Additions	237	30	266
Disposals	-	(1.321)	(1.321)
Disposals depreciation	-	1.321	1.321
Depreciation tangible asset	(2.219)	(637)	(2.855)
Impairment/reversals	-	-	-
Carrying values per 30 June 2019	**79.753**	**15.018**	**94.771**

Vessel and Equipment	Southern Ocean	Fast Support Vessels, Machinery & other	Total
Historical Cost 1 January 2019	170.877	51.003	221.880
Additions	237	30	266
Disposals	-	(1.321)	(1.321)
Historical Cost 30 June 2019	**171.113**	**49.712**	**220.826**
Accumulated depreciation 1 January 2019	(22.566)	(22.951)	(45.517)
Depreciation	(2.219)	(637)	(2.855)
Disposals depreciation	-	1.321	1.321
Accumulated depreciation 30 June 2019	**(24.785)**	**(22.267)**	**(47.052)**
Accumulated impairments 1 January 2019	(66.576)	(12.426)	(79.002)
Impairments/reversals	-	-	-
Accumulated impairments 30 June 2019	**(66.576)**	**(12.426)**	**(79.003)**
Total carrying amount per 30 June 2019	**79.753**	**15.018**	**94.771**

Vessel and Equipment	Southern Ocean	Fast Support Vessels, Machinery & other	Total
Historical Cost 1 January 2018	169.557	50.918	220.475
Additions	1.320	267	1.587
Disposals	-	(182)	(182)
Historical Cost 31 December 2018	**170.877**	**51.003**	**221.880**
Accumulated depreciation 1 January 2018	(18.315)	(21.474)	(39.789)
Depreciation	(4.250)	(1.477)	(5.728)
Disposals depreciation	-	-	-
Accumulated depreciation 31 December 2018	**(22.566)**	**(22.951)**	**(45.517)**
Accumulated impairments 1 January 2018	(66.576)	(12.426)	(79.002)
Impairments/reversals	-	-	-
Accumulated impairments 31 December 2018	**(66.576)**	**(12.426)**	**(79.002)**
Total carrying amount per 31 December 2018	**81.735**	**15.626**	**97.361**

Depreciation rates		5-25 years	3-25 years
Depreciation method		linear	linear

“When internal resources are used to engineer and construct a fixed asset, the relevant costs are added to the historical cost. All construction financing costs are capitalised. There have not been costs related to own development and borrowing cost in 2019. The Construction Support Vessels (CSV’s) and the Fast Support Vessels (FSV’s) are financed and held for security, see note 6 loans and borrowings.

An impairment test has been performed for Southern Ocean as at 30 June 2019, comparing the carrying amount with the recoverable amount (higher of CSV’s fair value less costs of disposal and its value in use). This impairment test concluded that no further impairment is necessary.

Note 5. Investments in subsidiaries

USD '000

	Oceanteam Bourbon 4 AS
Operating segment	Shipping
Principal place of business	Bergen, Norway
Ownership interest held by non-controlling interests	50%
Voting rights held by non-controlling interests*	40%

"The following is summarised financial information for Oceanteam Bourbon 4 AS based on the company's financial statements prepared according to Norwegian GAAP. The information is before intercompany eliminations with other companies in the Group.

USD '000

	Oceanteam Bourbon 4 AS	
	30-6-2019	30-6-2018
Operating income	7.989	7.522
Operating expenses	(4.608)	(4.167)
Net finance costs	(962)	(1.090)
Tax on ordinary result	(159)	-
Net profit / (loss) for the year	**2.260**	**2.265**
Adjustments made at group level	(45)	(124)
Net profit / (loss) for the year	**2.215**	**2.142**
Other comprehensive income	-	-
Total comprehensive income	**2.215**	**2.142**
Profit / (loss) attributable to non-controlling interests	**1.108**	**1.071**
Current assets	11.114	9.277
Non-current assets	63.680	66.407
Current liabilities	(30.743)	(43.858)
Non-current liabilities	-	-
Net assets	**44.051**	**31.826**
Adjustment made at group level	16.073	16.093
Net assets	**60.125**	**47.919**
Net assets attributable to non-controlling interests	**30.062**	**23.960**

*Oceanteam ASA controls the day to day operations of Oceanteam Bourbon 4 AS however any decisions including the transfer of assets, cash or declaration of dividends, has to be jointly decided upon by both JV partners and is subject of banks' approval, Oceanteam ASA and Bourbon Offshore Norway AS. Oceanteam Bourbon 4 AS has a credit and guarantee facility agreement with several banks which has various covenants including minimum free cash of USD 500.000 (see note 6).

The consolidated Group's total cash consists of USD 4.8 million out of which USD 2.5 million belongs to Oceanteam Bourbon 4 AS.

Note 6. Loans and borrowings

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual cash flows including interests representing nominal value at payment date. There are no net-settled derivative financial liabilities.

USD ´000

At 30 June 2019	Q1	Q2	Q3-Q4	Over 1 year	Total
Total outstanding on loans			25.951	3.180	29.130
Total outstanding on loans	**-**	**-**	**25.951**	**3.180**	**29.130**

At 31 December 2018	0 to 1 years	1 to 2 years	2 to 5 years	over 5 years	Total
Total outstanding on loans	33.015				33.015
Total outstanding on loans	**33.015**	**-**	**-**	**-**	**33.015**

Loans/ Currency of loans		**True rate of interest**	**Description**	**30 June 2019**	**31 December 2018**
Oceanteam ASA	Unsecured	Interest 7%	Stichting Value Partners	1.625	1.572
Oceanteam ASA	Unsecured	Interest 7%	Corinvest B.V.	1.555	1.503
CSV Southern Ocean	Secured	LIBOR + margin*	** SpareBank 1 SMN Bank USD 81 million	26.325	30.375
***Borrowing costs				(374)	(435)
****Total short-term debt**				**29.130**	**33.015**

* 50% of the LIBOR interest rate is fixed until August 2019.

** The loan is classified as a short-term debt as the loan is in a cross-default position.

*** Borrowing costs related to the refinancing of the loan have been capitalised and classified as a reduction of debt.

The CSV vessels and various equipment are collateral for the SpareBank 1 SMN Bank loan. The carrying amount of CSV Southern Ocean is USD 79.8 million per 30 June 2019.

The Senior Callable Bond and accrued interest were converted into equity in 2018.

Financial costs	30 June 2019	30 June 2018
CSV Southern Ocean	955	1.095
Bond loan*		1.267
Bond loan other**		1.760
Other loans	104	20
Other	42	60
Total interest costs	**1.101**	**4.202**

*Included within Bond loan in the 6 months to June 2018 is USD 0.8 million relating to interest and USD 0.5 million relating to other financial costs.

**Included within Bond loan other in the 6 months to June 2018 is USD 1.8 million relating to amortisation of the effect from the derecognition and new recognition of the bond loan related to the amendment of terms in June 2017.

Total bank facilities

As per 30 June 2019 the total interest bearing debt of the Group is USD 29.1 million. The Group had free cash of USD 2.5 million. The equity ratio was 72,0 percent per balance sheet date.

Cross default

The CSV Southern Ocean loan in Oceanteam Bourbon 4 AS is in compliance with the financial covenants according to its own loan and is paying both interest and principle instalments according to the loan agreement. However, as at 30 June 2019, the Company is technically in a default position due to a cross-default clause in the loan agreement. The Company is actively engaging with its banks to find measures to remedy this situation.

Loans in consolidated group companies

SpareBank 1 SMN Bank, DVB Bank SE Nordic Branch and NIBC Bank N.V – USD 81.000.000 - CSV Southern Ocean

All amounts below are presented on 100 percent basis. 100% is included in the group accounts since this is a consolidated subsidiary.

Oceanteam Bourbon 4 AS (borrower) has entered into a credit and guarantee facility agreement in the amount of USD 81 million with Sparebank 1 SMN Bank, DVB Bank SE Nordic and NIBC Bank N.V as lenders and Sparebank 1 SMN as facility agent. The balance of the loan per 30 June 2019 is USD 26.3 million. The current interest is 3 month LIBOR + 3,75 % margin p.a. The loan is repaid in quarterly instalments of USD 2.025 million. The Group entered a Swap agreement with Sparebank 1 SMN where 50% of the principal will be repaid with a fixed interest rate of 1,69% + 3,75% Margin which ended per December 2018.

The revised “Fleet Financing” was signed on 17 July 2017 and executed under JVs (Oceanteam Bourbon 101 AS and Oceanteam Bourbon 4 AS between Oceanteam ASA and Bourbon Offshore Norway AS) and the same bank group (SMN, DVB and NIBC). The loans were renewed until November 2021.

The old loan was amortising over 10 years but running for 5 years i.e. equivalent of 5 years amortisation in balloon payment. The facility was extended by 5 years (until November 2021) with the same amounts being amortised, therefore no balloon payments are expected at maturity.

Key loan covenants for the borrower include:
> Free cash of minimum USD 500.000
> Working capital to be positive at all times. First year instalments are deducted from short term liabilities.
> Market value adjusted Equity of minimum 25%
> Vessel Value / Loan balance, minimum 135%

Other key loan covenants include:
> Market value adjusted Equity of minimum 25% of total value adjusted assets (OTS Group, reporting quarterly)
> Market value adjusted Equity of minimum 25% of total value adjusted assets (BON, reporting semi-annually)

This loan has been placed under CSV Southern Ocean in the table above.

As of the balance sheet date and the reporting date, the Group is in full compliance of the agreement, but cross default.

Stichting Value Partners Family Office - USD 1.500.000 - Oceanteam ASA

Oceanteam ASA entered into a loan agreement on 23 April 2018 with Stichting Value Partners Family Office for the amount of USD 1.5 million. The loan is unsecured and attracts interest of 7% per annum. The repayment date was 6 months after granting of the loan. A waiver has been given by Stichting Value Partners Family Office to unconditionally extend the maturity of the loan until 23 April 2020 if, for whatever reason, the ready liquidity effects the going concern assumption.

Corinvest B.V. - USD 1.500.000 - Oceanteam ASA

Oceanteam ASA entered into a loan agreement on 21 December 2018 with Corinvest B.V. for the amount of USD 1.5 million. The loan is unsecured and attracts interest of 7% per annum. The loan has a repayment date of 12 months after granting of the loan (21 December 2019). A waiver has been given by Corinvest B.V. to unconditionally extend the maturity of the loan until 21 June 2020 if, for whatever reason, the ready liquidity effects the going concern assumption.

Loans in associated group companies

Sparebank 1 SMN Bank, DVB Bank SE Nordic Branch and NIBC Bank N.V - USD 66.000.000 - CSV Bourbon Oceanteam 101

All amounts below are presented on 100 percent basis. This loan is not included in the group accounts since the Group's interest in Oceanteam Bourbon 101 AS is classified as an associate.

Oceanteam Bourbon 101 AS (borrower) has entered into a senior secured term loan and guarantee facility agreement dated 6 July 2012 Sparebank 1 SMN bank, DVB Bank SE nordic Branch and NIBC Bank N.V as banks and with Sparebank 1 SMN as agent for a total amount of USD 66 million. The loan balance per 30 June 2019 is USD 21.5 million. The interest rate of the loan is 3 month LIBOR + 3,75 % p.a. The senior secured term loan will be repaid in quarterly instalments of USD 1.65 million. The Group entered a Swap agreement with Sparebank 1 SMN where 50% of the principal will be repaid with a fixed interest rate of 1,69% + 3,75% Margin which will end in August 2019.

The revised "Fleet Financing" was signed on 17 July 2017 and executed under JVs (Oceanteam Bourbon 101 AS and Oceanteam Bourbon 4 AS between Oceanteam ASA and Bourbon Offshore Norway AS) and the same bank group (SMN, DVB and NIBC). The loans were renewed until November 2021.

The old loan was amortising over 10 years but running for 5 years i.e. equivalent of 5 years amortisation in balloon payment. The facility was extended by 5 years (until November 2021) with the same amounts being amortised, therefore no balloon payments are expected at maturity.

Key loan covenants for the borrower include:
> Free cash of minimum USD 500.000
> Working capital to be positive at all times. First year instalments are deducted from short term liabilities.
> Market value adjusted Equity of minimum 25%
> Vessel Value / Loan balance, minimum 135%

Other key loan covenants include:
> Market value adjusted Equity of minimum 25% of total value adjusted assets (OTS Group, reporting quarterly)
> Market value adjusted Equity of minimum 25% of total value adjusted assets (BON, reporting semi-annually)

As of the balance sheet date and the reporting date, the Group is in full compliance of the agreement, but cross default.

GE Capital CEF Mexico, S. de R.L de CV - USD 11.166.102 - DOT Shipping AS

All amounts below are presented on 100 percent basis. This loan is not included in the group accounts since the Group's interest in DOT Shipping AS was classified as associate.

DOT Shipping AS (borrower) has entered into a loan agreement with GE Capital CEF Mexico, S. de R.L. de C.V. in the amount of USD 11.2 million. Contstructora Subacuatica Diavaz, S.A de C.V and Diavaz Oceanteam Servicios Navieros, S.A.P.I. CV are guarantors to the loan.

The loan balance per 31 December 2018 was USD 4.1 million.

In the first quarter of 2019 all of the DOT companies were sold.

Note 7. Investment in joint ventures and associates

USD '000

Investments in joint ventures and associates	Investments in Oceanteam Bourbon 101 AS	Investment in DOT Shipping Group	Investment in Oceanteam Bourbon Investments AS	Total
Type of investment	**Associate**	**Joint venture**	**Joint venture**	
Carrying amount of investment per 1 January 2019	14.865			14.865
Net result from investment in 2019	1.131			1.131
Disposal*				-
Total carrying amounts 30 June 2019	**15.996**	**-**	**-**	**15.996**

*Oceanteam ASA's investment in DOT Shipping Group was sold in March 2019. The settlement amount was USD 950.000 which was received in full in March 2019.

The table above summarises the investments in the Group. The following sections in this note describe the different categories of investments more thoroughly.

Joint ventures

DOT Shipping Group, was a joint venture with Diavaz, consisting of DOT Holdings AS, DOT Shipping AS, DOT Shipping BV, DOT Servicios Navieros, S.A. de C.V, Norhol Sapi de C.V. and DOT Radiance PTE LTD. These entities are presented together under DOT Shipping Group and were sold in the first quarter of 2019.

The following is summarised financial information for DOT Shipping companies and Oceanteam Bourbon Investments AS. Their financial statements are prepared in accordance with IFRS.

Oceanteam Bourbon Investments AS is an unlisted joint arrangement in which the Group has joint control and a 50 percent ownership interest. This company was founded in October 2012 by Oceanteam ASA and Bourbon Offshore Norway AS. The Group has classified its interest in Oceanteam Bourbon Investments AS as a joint venture.

All companies mentioned above are equity accounted in the Group.

	DOT Shipping companies	Oceanteam Bourbon Investments AS
Nature of relationship with the Group	Sold	Equipment business
Principal place of business		Bergen, Norway
Ownership interest		50%
Voting rights held		50%

The following is summarised financial information for DOT Shipping companies and Oceanteam Bourbon Investments AS, based on their respective financial statements prepared in USD as the functional currency, modified for fair value adjustments and differences in the Group's accounting policies.

In USD '000		Oceanteam Bourbon Investments AS	
		30-6-2019	30-6-2018
Revenue		42	630
Profit before tax		4	15
Tax			
Net result		**4**	**15**
Current assets		18	202
Non-current assets		133	438
Current liabilities		(215)	(883)
Non-current liabilities			-
Net assets	**-**	**(64)**	**(243)**

In USD'000	Oceanteam Bourbon Investments AS	
	30-6-2019	2018
Group's interest in net assets of investee at beginning of the period		
Investments		
Total comprehensive income attributable to the Group		
Total other comprehensive income attributable to the Group		
Dividends received during the period		
Disposal*		
Carrying amount of interest in investee at the end of the period	**-**	**-**

Associates

Oceanteam Bourbon 101 AS is an unlisted company in which the Group has a 50 percent ownership interest. This company was founded in June 2009 by Oceanteam ASA and Bourbon Offshore Norway AS. The Group has classified its interest in Oceanteam Bourbon 101 AS as an associate, which is equity accounted for.

	Oceanteam Bourbon 101 AS
Nature of relationship with the Group	Vessel CSV Bourbon Oceanteam 101
Principal place of business	Bergen, Norway
Ownership interest	50%
Voting rights held	40%*

*In December 2013 the owning parties agreed to change the shareholders' agreement for Oceanteam Bourbon 101 AS. Oceanteam Shipping ASA have two of a total of five directors on the board, which is the basis for calculation of voting rights given above. The owner companies, Bourbon Offshore Norway AS and Oceanteam Shipping ASA have equal voting shares in general meetings. The changes were implemented from 1 January 2014.

The following is summarised financial information for Oceanteam Bourbon 101 AS based on USD as the functional currency modified for any differences in the Group's accounting policies.

In USD '000	Oceanteam Bourbon 101 AS	
	30-6-2019	30-6-2018
Revenue	7.249	7.072
Profit before tax	2.262	1.502
Tax	-	-
Net result	**2.262**	**1.502**
Current assets	8.017	6.954
Non-current assets	48.993	52.803
Current liabilities	(10.520)	(16.172)
Non-current liabilities	(14.499)	(20.985)
Net assets	**31.992**	**22.600**

USD'000	Oceanteam Bourbon 101 AS	
	30-6-2019	2018
Group's interest in net assets of investee at the beginning of the period	14.865	10.549
Conversion of debt to equity*	-	2.427
Total profit / loss attributable to the Group	1.131	1.888
Total other comprehensive income attributable to the Group	-	-
Dividends received during the period	-	-
Carrying amount of interest in investee at the end of the period	**15.996**	**14.865**

*In 2018, Oceanteam Bourbon 101 AS has convert the unpaid dividends declared in 2016 of USD 4.9 million from debt to equity. As at 1 January 2018 these unpaid dividends were included in liabilities to Oceanteam ASA of USD 2.4 million and liabilities to Bourbon Offshore AS of USD 2.4 million.

Assets held for sale and discontinued operations

In USD '000	DOT Shipping companies	
	30-6-2019	30-6-2018
Revenue		295
Profit before tax		15
Tax		
Net result	**-**	**15**
Current assets		1.333
Non-current assets		6.904
Current liabilities		(4.314)
Non-current liabilities		(20.519)
Net assets	**-**	**(16.596)**

In USD'000	DOT Shipping companies	
	30-6-2019	2018
Group's interest in net assets of investee at beginning of the period		
Investments		
Total comprehensive income attributable to the Group		
Total other comprehensive income attributable to the Group		
Dividends received during the period		
Disposal*		
Carrying amount of interest in investee at the end of the period	**-**	**-**

*Oceanteam ASA's investment in DOT Shipping Group was sold in March 2019. The settement amount was USD 950.000 which was received in full in March 2019.

Note 8. Related party transactions

Cenzo BV

Cenzo is controlled by Catharina Petronella Johanna Pos, former director of Oceanteam ASA. Transactions consists mainly of invoicing of board fees and other consulting services provided to the Company.

Feastwood Holding Ltd

Feastwood Holding Ltd is controlled by Hessel Halbesma, former chairman of Oceanteam ASA and Haico Halbesma, former CEO of Oceanteam ASA. Transactions consist of invoicing for services provided by Hessel Halbesma and recharges related to disbursements. These services provided include board services, providing exclusive access to his network and long time business partners, maintenance and development of partnership arrangements, sourcing and strategic development related to financing the group, Intellectual property expansion, initiation and steering of change management and general support to various management functions within the group.

Heer Holland BV

Heer Holland BV is controlled by Haico Halbesma, former CEO of Oceanteam ASA. Transactions consists mainly of invoicing of monthly management services.

4C Offshore Ltd

4C Offshore Ltd is controlled by Hessel Halbesma, former chairman of Oceanteam ASA and Haico Halbesma, former CEO of Oceanteam ASA. The transactions with 4C Offshore Ltd consist mainly of invoices for consultancy work, IT maintenance and licensing fees.

Seaconomy B.V.

Seaconomy B.V. provided key management personnel services in 2018 through former CEO, Meindert Van Genderen. Transactions include management fees and the recharge of travel expenses. The management agreement was from March 2018 - April 2018.

Marstrat B.V.

Marstrat B.V provided key management personnel services in 2018 through former CEO, Meindert Van Genderen and former director / former interim CEO Diederik Legger.

Meindert Van Genderen had an interim management agreement from May 2018 - August 2018.

Diederik Legger had an interim management agreement from June 2018 - August 2018 and has an agreement in respect of advisory services which runs for 2 years from September 2018.

DTN Noordwijk B.V.

DTN Noordwijk B.V. is controlled by Hendrik Hazenoot, Interim CFO of Oceanteam ASA. Transactions include invoicing of management fees and recharges for travel expenses.

Invaco Management B.V.

Invaco Management B.V. is controlled by Kornelis Jan Willem Cordia, Chairman of Oceanteam ASA. Transactions relate to the recharge of travel expenses.

Maas Technical Management B.V.

Maas Technical Management B.V. is controlled by Hendrik ten Hoeve, Interim Manager of Oceanteam Solutions. Transactions include invoicing of management fees and recharges for travel expenses.

Oliley B.V.

Oliley B.V. is controlled by Karin Govaert, director of Oceanteam ASA. Transactions consists mainly of invoicing recharges for travel expenses.

USD '000	Income/recharged expense		Cost		
Company	30.6.2019	2018	30.6.2019	2018 Year	Type of transaction
Cenzo BV	-	-	-	(17)	Other services than Board committee
Feastwood Holding Ltd	-	28	-	(49)	see above
Heer Holland BV	-	-	-	(111)	see above
4C Offshore Ltd	35	-	-	(38)	see above
Seaconomy B.V.	-	-	-	(29)	see above
Marstrat B.V (Meindert Van Genderen)	-	-	-	(47)	see above
Marstrat B.V (Diederik Legger)	-	-	(32)	(58)	see above
DTN Noordwijk B.V.	-	-	(63)	(94)	see above
Invaco Management B.V.	-	-	-	(4)	see above
Maas Technical Management B.V.	-	-	(47)	-	see above
Oliley B.V.	-	-	(4)	-	see above

USD '000	Amounts receivable		Vendor & accrued balance	
Company	30.6.2019	31.12.2018	30.6.2019	31.12.2018
Cenzo BV	-	-	-	-
Feastwood Holding Ltd	-	-	-	-
Heer Holland BV	-	-	-	-
4C Offshore Ltd	-	-	-	(404)
Seaconomy B.V.	-	-	-	(7)
Marstrat B.V (Meindert Van Genderen)	-	-	-	-
Marstrat B.V (Diederik Legger)	-	-	(30)	(11)
DTN Noordwijk B.V.	-	-	(21)	(10)
Invaco Management B.V.	-	-	-	-
Maas Technical Management B.V.	-	-	(11)	-
Oliley B.V.	-	-	-	-

In April 2018 a settlement agreement was signed between Oceanteam ASA and its affiliates and Haico Halbesma, Hessel Halbesma, Feastwood Holding Ltd, Feastwood Holdings Limited, Heer Holland B.V., Toha Invest B.V. and Challenger Management Services S.A.M. Refer to the consolidated statement of changes in equity in the financial statement 2018 for further details.

Transactions with Group companies

USD '000

	Crane Hire expense		Interest Income		Management fee income	
Company	30.6.2019	2018	30.6.2019	2018	30.6.2019	2018
Oceanteam Bourbon 101 AS			-	-	175	350
Oceanteam Bourbon Investments AS**	(42)	(1.260)	(3)	8	15	12

Only transactions with non-consolidated companies are disclosed above.

**The equity accounted associate, Oceanteam Bourbon Investments AS, has charged the fully consolidated subsidiary, Oceanteam Bourbon 4 AS amounts in respect of crane hire.

Stichting Value Partners Family Office

Stichting Value Partners Family Office is controlled by Mr Hendrik Marius van Heijst. During 2018, Mr Hendrik Marius van Heijst has held a shareholding in Oceanteam ASA of greater than 20% and is therefore considered to have significant influence. In April 2018 a loan was issued by Stichting Value Partners Family Office.

USD '000	Loans		Accrued interest on loans	
Company	30.6.2019	2018	30.6.2019	2018
Stichting Value Partners Family Office	1.500	1.500	125	72

Corinvest B.V.

Corinvest B.V. is controlled by Kornelis Jan Willem Cordia, chairman of the board. In December 2018 a loan for USD 1.5m was issued by Corinvest B.V.

USD '000	Loans		Accrued interest on loans	
Company	30.6.2019	2018	30.6.2019	2018
Corinvest B.V.	1.500	1.500	55	3