



**AqualisBraemar ASA**  
**2019 Q2 results and business stream presentations**  
**August 29, 2019**



# Disclaimer

---

- This Presentation has been produced by AqualisBraemar ASA (the “Company” or “Aqualis”) solely for use at the presentation to investors and other stake holders and may not be reproduced or redistributed, in whole or in part, to any other person. This presentation is strictly confidential, has not been reviewed or registered with any public authority or stock exchange, and may not be reproduced or redistributed, in whole or in part, to any other person. To the best of the knowledge of the Company, the information contained in this Presentation is in all material respect in accordance with the facts as of the date hereof, and contains no material omissions likely to affect its importance. However, no representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and, accordingly, neither the Company nor any of its subsidiary companies or any such person’s officers or employees accepts any liability whatsoever arising directly or indirectly from the use of this Presentation. This Presentation contains information obtained from third parties. Such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information to be inaccurate or misleading.
- This Presentation contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words “believes”, “expects”, “predicts”, “intends”, “projects”, “plans”, “estimates”, “aims”, “foresees”, “anticipates”, “targets”, and similar expressions. The forward-looking statements contained in this Presentation, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. None of the Company or any of its parent or subsidiary undertakings or any such person’s officers or employees provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor does any of them accept any responsibility for the future accuracy of the opinions expressed in this Presentation or the actual occurrence of the forecasted developments. The Company assumes no obligation, except as required by law, to update any forward-looking statements or to conform these forward-looking statements to our actual results.
- AN INVESTMENT IN THE COMPANY INVOLVES RISK, AND SEVERAL FACTORS COULD CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE COMPANY TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS THAT MAY BE EXPRESSED OR IMPLIED BY STATEMENTS AND INFORMATION IN THIS PRESENTATION, INCLUDING, AMONG OTHERS, RISKS OR UNCERTAINTIES ASSOCIATED WITH THE COMPANY’S BUSINESS, SEGMENTS, DEVELOPMENT, GROWTH MANAGEMENT, FINANCING, MARKET ACCEPTANCE AND RELATIONS WITH CUSTOMERS, AND, MORE GENERALLY, GENERAL ECONOMIC AND BUSINESS CONDITIONS, CHANGES IN DOMESTIC AND FOREIGN LAWS AND REGULATIONS, TAXES, CHANGES IN COMPETITION AND PRICING ENVIRONMENTS, FLUCTUATIONS IN CURRENCY EXCHANGE RATES AND INTEREST RATES AND OTHER FACTORS.
- SHOULD ONE OR MORE OF THESE RISKS OR UNCERTAINTIES MATERIALISE, OR SHOULD UNDERLYING ASSUMPTIONS PROVE INCORRECT, ACTUAL RESULTS MAY VARY MATERIALLY FROM THOSE DESCRIBED IN THIS PRESENTATION. THE COMPANY DOES NOT INTEND, AND DOES NOT ASSUME ANY OBLIGATION, TO UPDATE OR CORRECT THE INFORMATION INCLUDED IN THIS PRESENTATION.
- By attending or receiving this Presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company’s business. This Presentation does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.





**1. Highlights**  
**David Wells**  
**CEO**



**2. Financial review**  
**Kim Boman**  
**CFO**



**3. Outlook**  
**David Wells (CEO) /**  
**Glen Rødland (Chairman)**

# Financial figures for Q2 2019 – effects of the acquisition of BTS

---

- BTS consolidated statement of financial position as at 30 June 2019 was consolidated in AqualisBraemar's consolidated statement of financial position as at 30 June 2019
- Consolidated statement of income reflects profit and loss results related to the former Aqualis ASA group only and excludes profit and loss results of BTS
- Financial income as reflected in consolidated statement of income was effected by one-off gain on bargain purchase linked to the acquisition of BTS
- Consolidated statement of cash flows reflects cash flows in respect of the former Aqualis ASA group with BTS cash and cash equivalent acquired at 30 June reflected in investing activities
- Subsequent to the balance sheet date, the private placement and rights issue of a total of USD 6m (gross) was completed in July 2019 hence not included in the consolidated statement of financial position as at 30 June 2019

# Q2 2019 Highlights

---

- Announcement and closure of the acquisition of the majority Braemar Technical Services (“BTS”) and creation of united brand AqualisBraemar
- On 30 June 2019, BTS was consolidated in AqualisBraemar accounts
- Revenues of USD 9.9 million in Q2 2019 vs USD 9.6 million in Q2 2018
- Operating loss (EBIT) of USD 0.3 million in Q2 2019 vs USD 1.0 million in Q2 2018
- Adjusted EBIT of USD 0.5 million in Q2 2019 vs USD 0.7 million in Q2 2018
- Billing ratio<sup>1</sup> of 85% in Q2 2019
- Continued solid HSE performance and no lost time incidents (LTIs) during the quarter
- Robust financial position with cash balance of USD 7.8 million
- Offshore renewable business continues strong growth, revenues up 117% in Q219 vs Q218
- Order backlog increased to USD 10.7 million

## Subsequent event

- Successful completion of private placement and right issue of total USD 6 million

1) Billing ratio for technical staff includes subcontractors on 100% basis

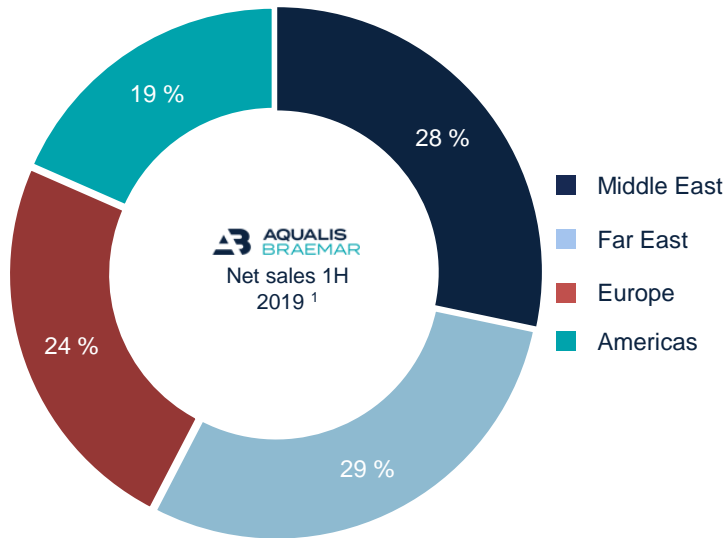
# Successful acquisition of Braemar Technical Services

---

- Acquisition of the majority of Braemar Technical Services completed
- A compelling strategic combination
- Successful rights issue and private placement completed in July 2019
- Integration proceeding according to plan since closing 21 June 2019
- Synergies from functional overlaps, system platforms and joint offices
- Co-location of offices to be completed during Q3 2019
  - Co-location completed in London, Dubai, Singapore, Shanghai and Houston
  - Abu Dhabi office move expected to be completed prior to end of Q3 2019
- Annual run-rate cost synergies target has been increased to USD 2 million from USD 1.1 million

# AqualisBraemar – a leading adjusting, marine, offshore and renewables consultancy

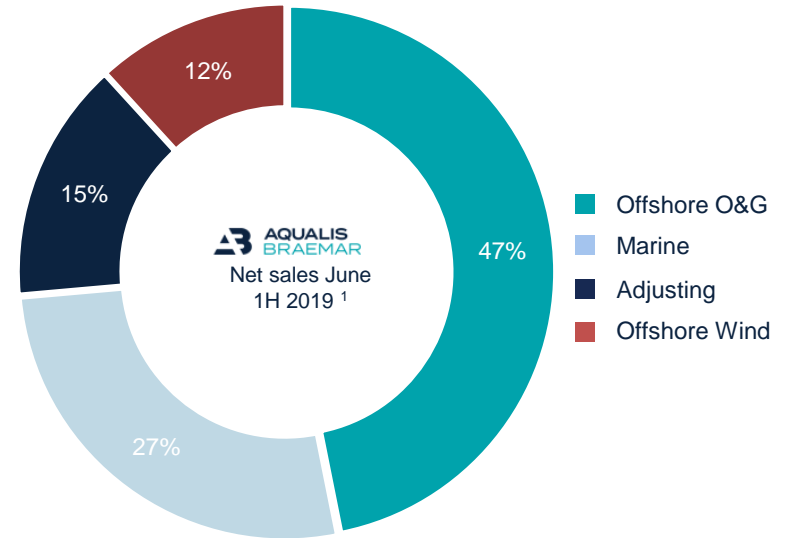
## Regional revenue 1H 2019 (%)



33

Country presence

## Business stream revenues 1H 2019(%)

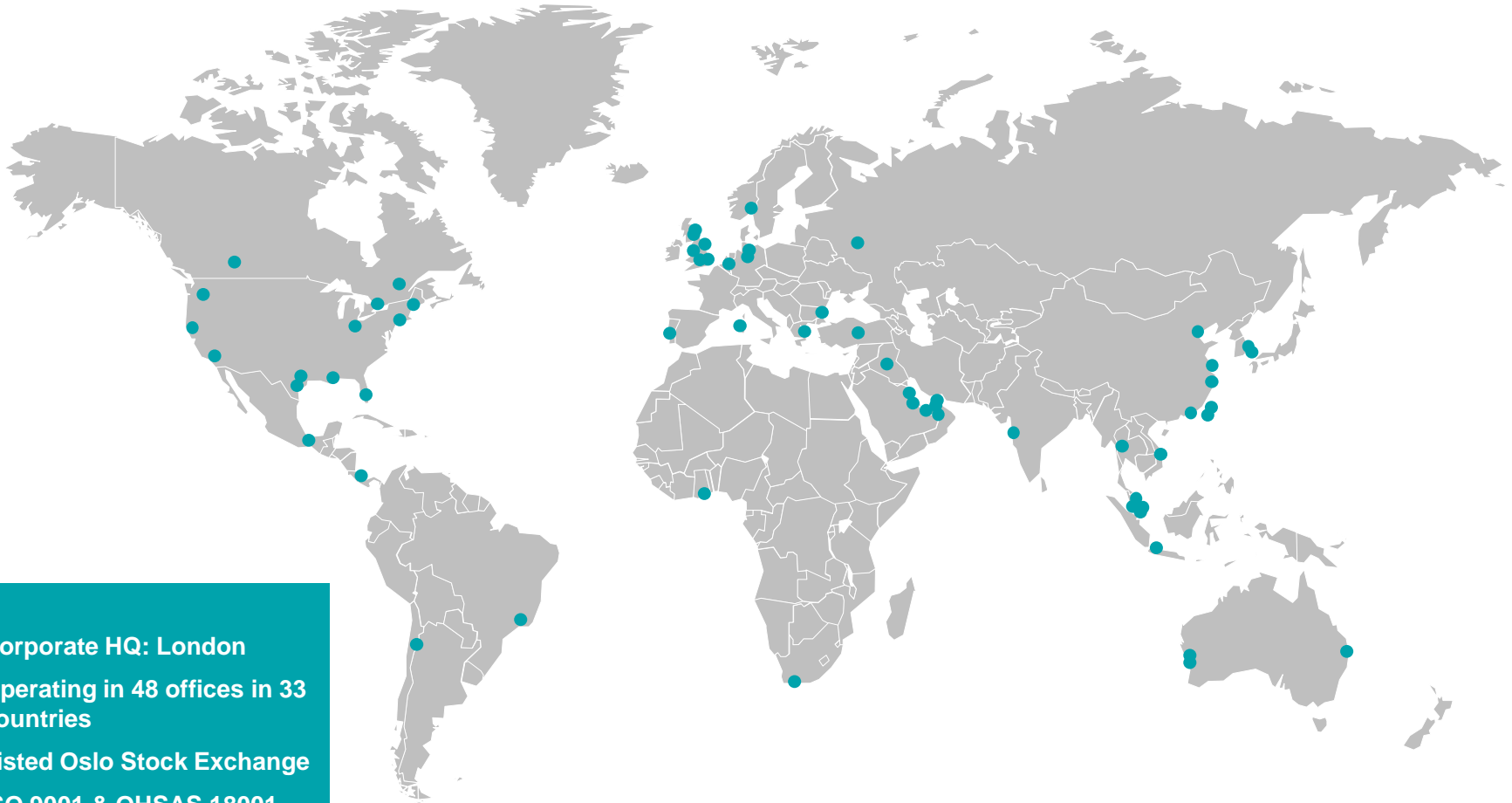


> 430

Staff (full time equivalents)

1) AB management estimate

# AqualisBraemar global footprint



Corporate HQ: London

Operating in 48 offices in 33 countries

Listed Oslo Stock Exchange

ISO 9001 & OHSAS 18001 Certified



# AqualisBraemar service offering

## Offshore Oil & Gas



- Specialist offshore engineering and consultancy services to the offshore oil and gas industry
- Marine Warranty Services
- Construction supervision, transportation and installation, decommission projects, inspections & approvals, engineering services

## Marine



- Worldwide emergency casualty, accident or incident response and international marine survey services
- Hull & machinery surveys, casualty investigations, risk assessments, technical due diligence, cargo and damage surveys, etc.

## Adjusting



- Loss adjusting, risk assessment, legal/expert witness and dispute resolution to the international insurance and reinsurance markets
- Specializing within the energy, marine, mining, renewables, power & utilities industries, etc.

## Offshore Renewables

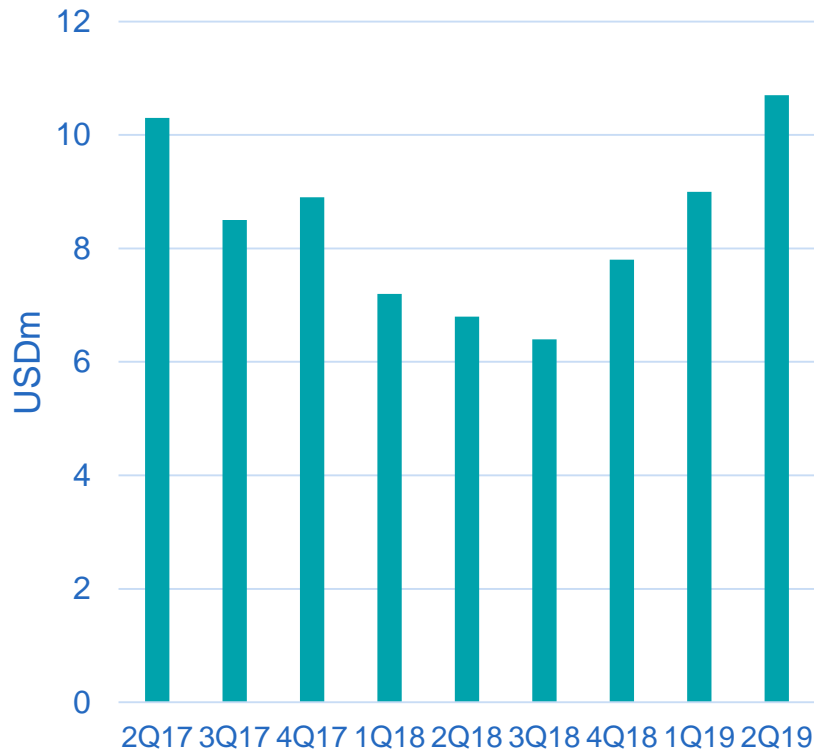


- Specialized and globally focused engineering consultancy providing independent services to the offshore wind industry
- Consultancy, engineering & project management services

Combining our commercial, technical, engineering and environmental expertise we provide an unrivalled breadth of skills to the energy, shipping and insurance industries

# Order backlog development

## Order backlog



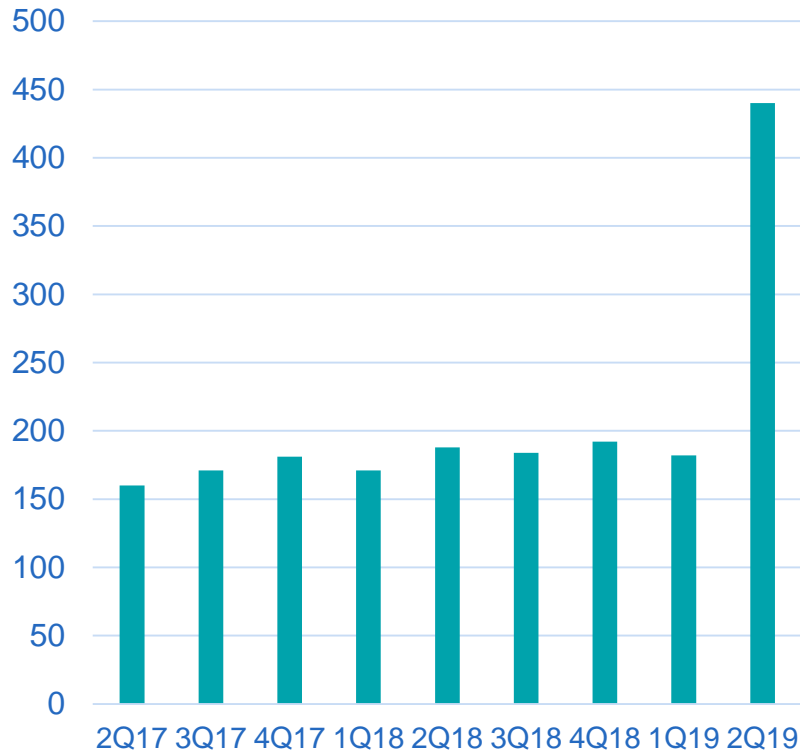
## Highlights Q2 2019

- Order backlog at USD 10.7 million and excludes figures for BTS
- Pipeline of future opportunities rising
- Pipeline of work expected from call out contracts is positive and increasing, but visibility in our industry is limited and timing could be uncertain.
- Current focus is on supporting clients on day-to-day service operations - typically call-out contracts that are only included in backlog figures when reliable estimates are available

(1) Average full time equivalent in the quarter. Numbers include subcontractors on 100% utilisation equivalent basis and excludes staff made temporary redundant

# Staff level development

## Staff level development<sup>1</sup>



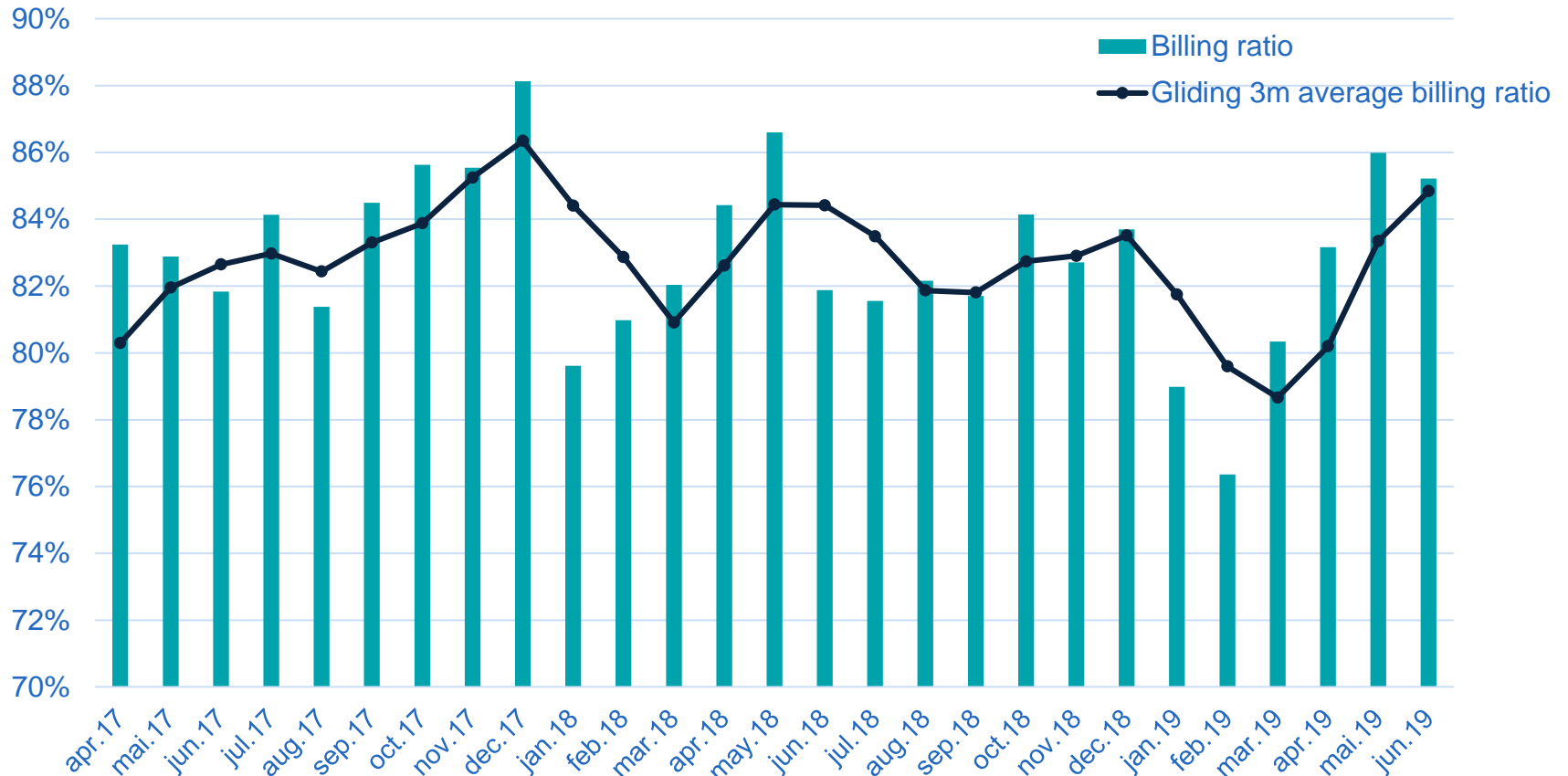
## Highlights Q2 2019

- Figures for Q2 2019 includes BTS and is based on the number full time equivalent staff at the end of the quarter for Aqualis and BTS
- Staff levels for former Aqualis increased from Q1 2019 to Q2 2019
- The use of subcontractors allows for a more flexible cost base whilst the short term outlook / position of the market is assessed

(1) Average full time equivalent in the quarter. Numbers include subcontractors on 100% utilisation equivalent basis and excludes staff made temporary redundant

# Billing ratio development (excluding BTS)

## - Total technical staff (including subcontractors), billing ratio<sup>1</sup> %



1) Billing ratio for technical staff including subcontractors. It excludes management, business development, administrative support staff and temporary redundancies. Figure calculated as billable hours over available hours. Available hours excludes paid absence (public holidays, time off in-lieu, compassionate leave, authorised annual leave) and unpaid absence (sabbatical and other unpaid leave).

# Synergy estimate increased to ~3 USDm

---

## Cost synergies (2 USDm)

---

- Progress will be reported
- Synergies phased in over 2 years
- Lower general and administrative costs
- Office and operating structure efficiency improvements
- Information system efficiency improvements
- Operational synergies

## Revenue synergies (USD 0.9m)

---

- Challenging to monitor and quantify
- Win of projects based on competence, size and footprint – all regions
- Cross sales – all business streams and regions
- Focused growth to be in renewables through size and geographical presence





**1. Highlights**  
**David Wells**  
**CEO**



**2. Financial review**  
**Kim Boman**  
**CFO**



**3. Outlook**  
**David Wells (CEO) /**  
**Glen Rødland (Chairman)**

# The Combined Group

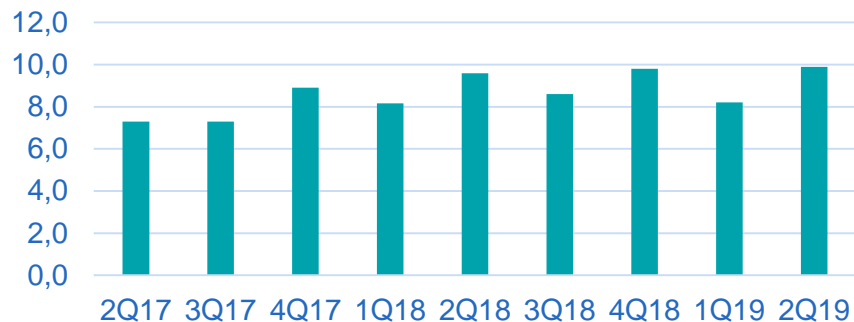
- Due to the integration progress, from Q3 2019, the presentation will be only AqualisBraemar and not split for legacy entities
- Solid growth in former Aqualis
- Weak performance in BTS impacted by trading losses. Reported figures impacted by restructuring provisions and additional accruals

<i>USD thousands</i>	Q2 2019			Q2 2018		
	Aqualis	BTS	Combined	Aqualis	BTS	Combined
Revenues	9,869	9,374	19,243	9,595	9,805	19,400
Adjusted EBIT <sup>(1)</sup>	479	(211)	268	742	(334)	407
Adjusted EBIT margin	5%	(2%)	1%	8%	(3%)	2%
<i>USD thousands</i>	1H 2019			1H 2018		
	Aqualis	BTS	Combined	Aqualis	BTS	Combined
Revenues	18,051	18,592	36,643	17,754	18,932	36,685
Adjusted EBIT <sup>(1)</sup>	615	(578)	37	939	(282)	657
Adjusted EBIT margin	3%	(3%)	0%	5%	(1%)	2%

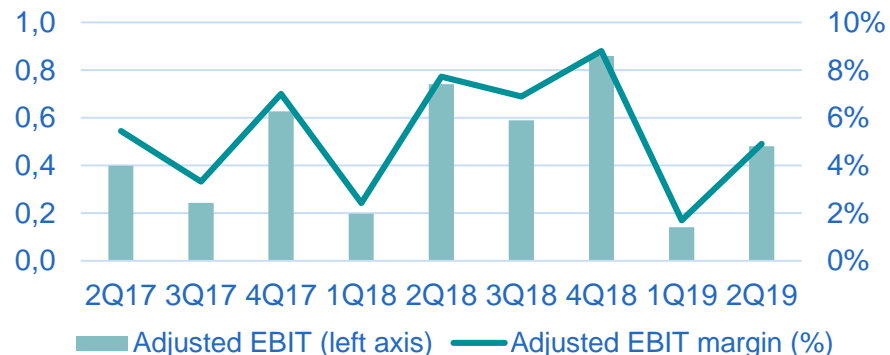
(1) Refer Alternative Performance Measures

# Revenue and adjusted EBIT

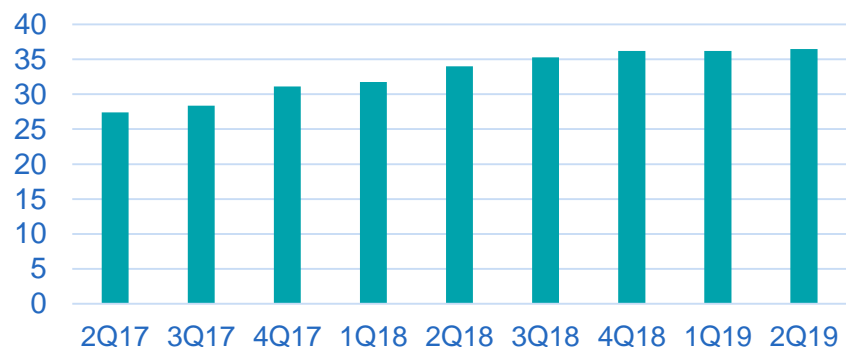
## Revenue (USDm)



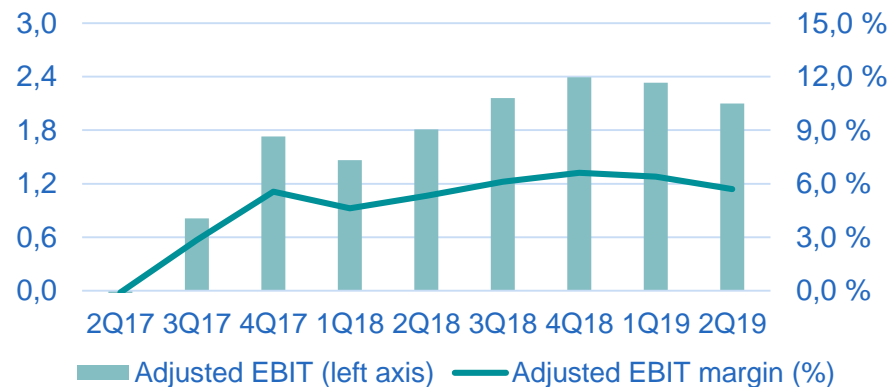
## Adjusted EBIT<sup>1</sup> development (USDm, %)



## Revenue LTM (USDm)

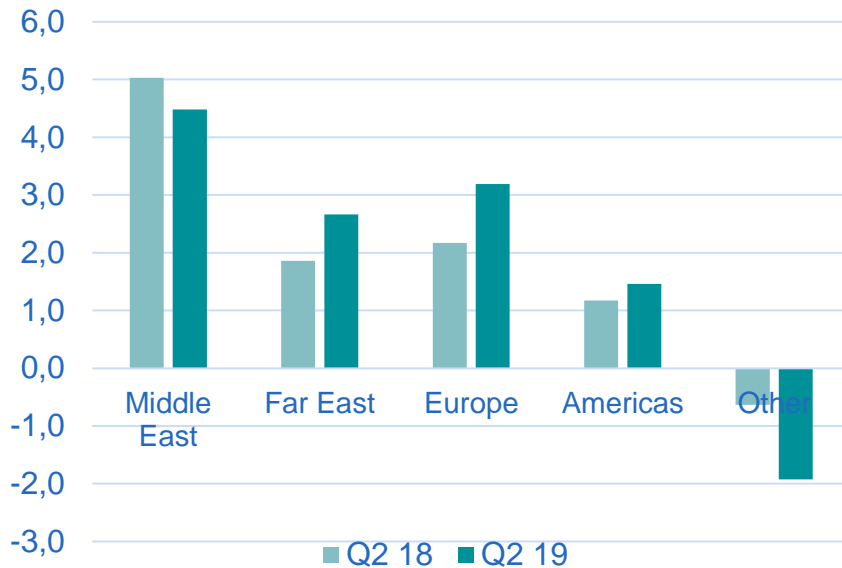


## Adjusted EBIT 1 LTM (USDm, %)

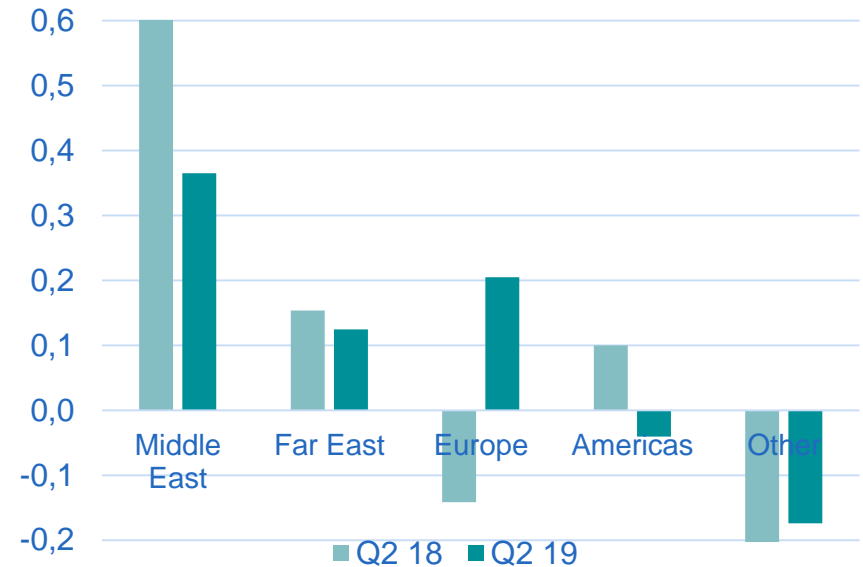


# Regional split

## Revenue split (USDm)



## Adjusted EBIT<sup>1</sup> split



- Regional revenue differences y-o-y for entities respectively in Middle East -10%, Far East 43%, Americas +24% and Europe +47% (note: Revenue from OWC entities constitutes 28% and 13% of group consolidated revenue in Q2 2019 and Q2 2018 respectively. OWC revenue increased by 117% y-o-y).

1) Adjusted EBIT after allocation of group costs to entities. Corporate group costs that are not allocated to entities are included in «other»  
 2) Other excludes goodwill impairments, share of net profit / (loss) from associates and impairment of loan to and investment in associates

# Income Statement

USD thousands

Consolidated income statement	Q2 19	Q2 18	H1 19	H1 18	FY 18
Revenues	9,869	9,595	18,051	17,754	36,185
<b>Total revenues</b>	<b>9,869</b>	<b>9,595</b>	<b>18,051</b>	<b>17,754</b>	<b>36,185</b>
Payroll and payroll related expenses	(4,119)	(4,052)	(7,968)	(7,873)	(15,682)
Other operating expenses	(5,997)	(4,767)	(10,539)	(8,874)	(17,981)
Depreciation and impairment	(38)	(34)	(76)	(67)	(129)
Share of net profit (loss) from associates	-	291	-	291	291
<b>Operating profit (loss) (EBIT)</b>	<b>(284)</b>	<b>1,032</b>	<b>(532)</b>	<b>1,230</b>	<b>2,684</b>
Finance income	11,470	21	11,484	47	167
Finance expenses	(12)	(1)	(26)	(7)	-
Net foreign exchange gain (loss)	(58)	374	(178)	(25)	27
<b>Profit (loss) before taxes</b>	<b>11,116</b>	<b>1,427</b>	<b>10,748</b>	<b>1,245</b>	<b>2,878</b>
Income tax expenses	(113)	(70)	(231)	(136)	(456)
<b>Profit (loss) after taxes</b>	<b>11,003</b>	<b>1,357</b>	<b>10,517</b>	<b>1,109</b>	<b>2,422</b>

- Revenues for Q2 2019 up 3 % from Q2 2018
- Results impacted by transaction and integration costs of USD 0.8 million
- Adjusted EBITDA of USD 0.5 million
- Gain from bargain purchase of USD 11.1 million included as part of finance income

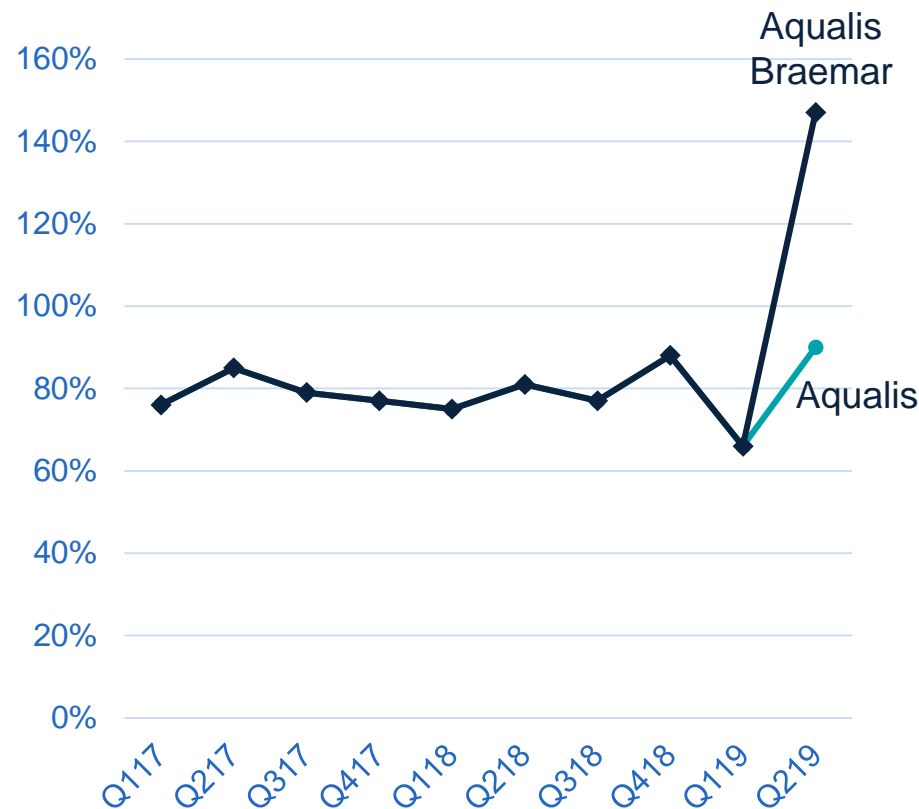


# Cash flow and financial position

## Highlights Q2 2019

- Solid financial position with no interest bearing debt and USD 7.8 million in cash
- Working capital increase to USD 27 million due to acquisition of BTS
  - 152% combined working capital %<sup>1</sup> (Aqualis = 90%, BTS = 202%)
- Capitalised leases increases to USD USD 2.9 million
- USD 3 million owed to Braemar Shipping Services in connection with the acquisition of BTS
- Negative operational cash flow of USD 2.3 million driven by increased working capital

## Working capital<sup>1</sup> (%)



(1) Working capital ratio calculated as working capital over average quarterly revenues for last 2 quarters



**1. Highlights**  
**David Wells**  
**CEO**



**2. Financial review**  
**Kim Boman**  
**CFO**



**3. Outlook**  
**David Wells (CEO) /**  
**Glen Rødland (Chairman)**

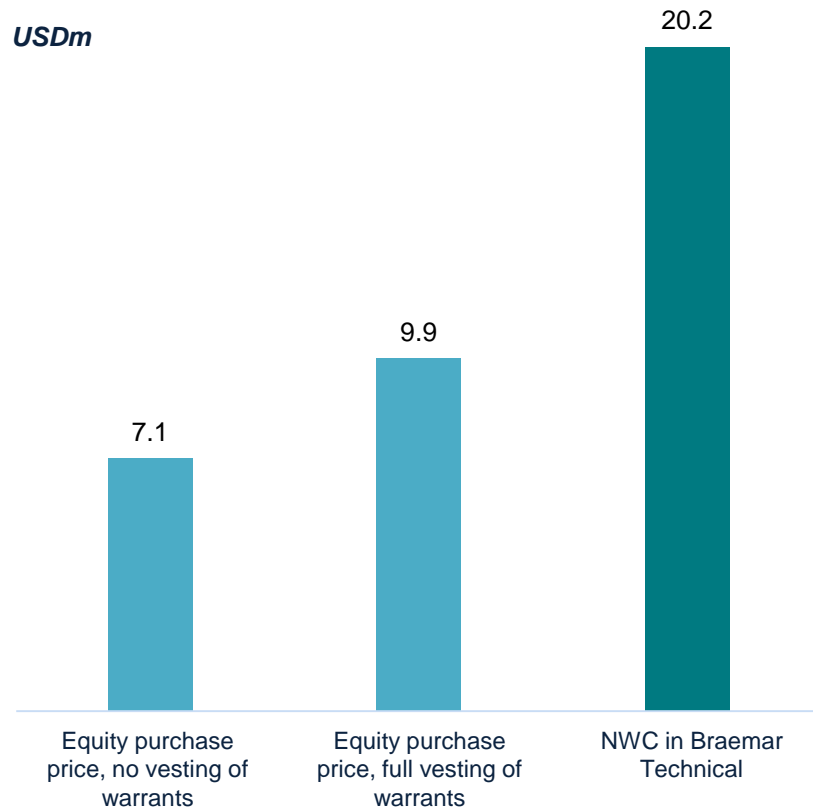
# The Challenge and the Potential

	Metric	Aqualis	BTS	Combined	Comment
Number of employees	No.	192	253	445	FTE equivalents, including subcontractors, average
Utilisation LTM	%	82 %	61 %	71 %	Billable hours / available hours (total technical staff)
Average charge out rate	USD/hour	153,5	198,0	173,6	
Gross margin LTM to June 2019	%	28 %	32 %	30 %	
Overhead costs LTM	%	22 %	35 %	29 %	
Adjusted EBITDA margin LTM	%	6 %	-3 %	1 %	Excluding one off or restructuring costs
Total Revenue LTM	USDm	36,5	39,2	75,7	
Net working capital June 2019	USDm	8	19	27	Excludes non-operating liabilities such as deferred warrants, leases
NWC / Revenue	%	22 %	48 %	35 %	Net working capital end of June 2019 / Revenues last 12 months
Subcontractor mix	%	57 %	7 %	24 %	Based on billable hours or FTEs as part of FTEs in quarter. BTS figures based on management estimate

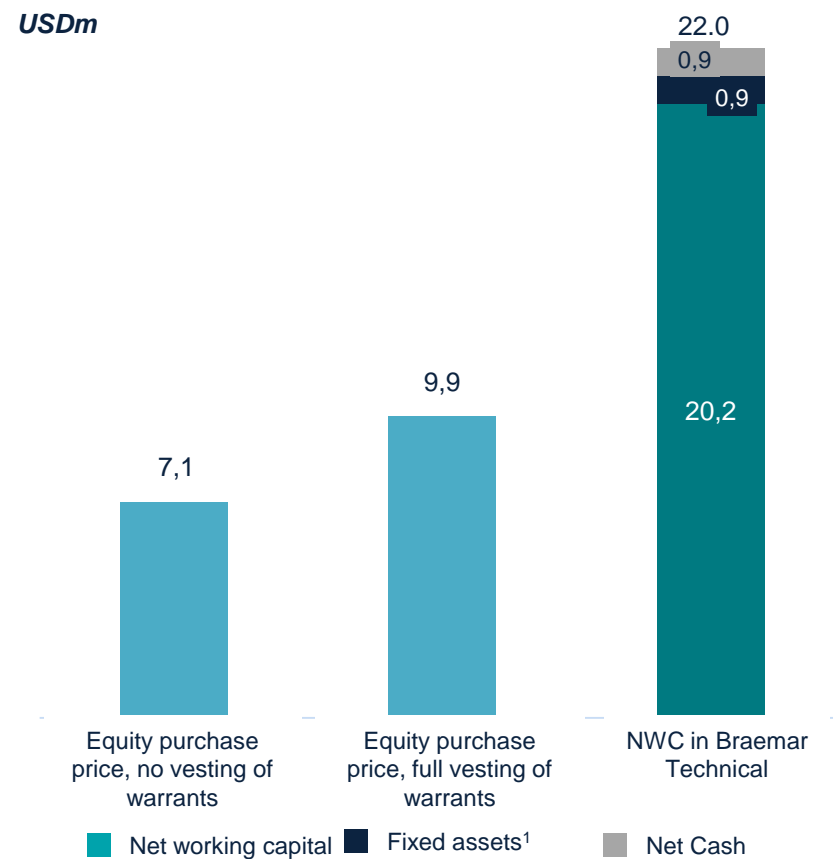
Note: Unaudited proforma figures

# Consideration for BTS represented only ~35-50 % of NWC

## Consideration vs Braemar Technical NWC<sup>1</sup>



## Consideration vs Braemar Technical net assets<sup>1</sup>



# AqualisBraemar value drivers (1/2)

---

- Significant net cash position
  - Equity Value<sup>1</sup>: USD 29m
  - Adj. Net Cash<sup>2</sup>: USD 11m
  - Enterprise Value<sup>3</sup>: USD 18m
  
- Potential for improved capital efficiency
  - Net Working Capital USD 27m
  - Targeting reduction in days outstanding + unbilled revenue
  - Targeting increased efficiency through financing structure
  
- Earnings
  - Pro-forma 1H 2019 EBITA USD 0m
  - Synergies USD 3m
  - Increasing focus on KPIs across combined company
  - Decentralization and benchmarking



# AqualisBraemar value drivers (2/2)

---

- Aligned incentives – Sharing with the employees
  - Senior management own ~11% of the company's shares
  - Management incentive scheme with options/warrants to be implemented \*
  - Bonus program
- Improving markets
  - Renewables (offshore wind): Rapid growth and globalization of offshore wind
  - Oil and gas passed the bottom. Slowly improving market and increase market share
  - Marine and Adjusting – stable or moderately improving market. Increase markets share
  - Tighter supply of good people → Pressure on rates to improve (rates dropped 30-40% from peak in 2014)
- Returning cash to shareholders
  - Targeting normal dividend of about 50% of Net Earnings over time (stable and gradually increasing)
  - Potential for extraordinary dividend based on more efficient use of capital

\* ATM options convertible to shares

# Outlook

---

- The formation of AqualisBraemar creates an exciting and more robust network of offices and direct exposure to new service lines (marine claims and loss adjusting)
- The merger has been well received by clients and the insurance markets and gives confidence of full support
- Management focus will continue to be on aligning the two companies, realizing cost synergies and developing opportunities
- Majority of synergies and restructuring of the combined AqualisBraemar will be realized within 12 months from closing.
- The growth of the global offshore renewables market provides opportunities for further expansion
- The marine claims market is performing well and growth in global fleet continues.
- The O&G market has stabilized at a low level over the last 2-3 years. Sign of improvement and for AqualisBraemar an increased level of opportunities exist. Growth expected to pick up as FID's are followed increased spending.
- Contracted offshore rig count and utilization is looking more robust. Expected to lead to market improvement for AqualisBraemar in 2020 and beyond
- AqualisBraemar is in strong position to win market share, expand and develop new business lines
- AqualisBraemar will continue to be active in further consolidation/restructuring of our industry



# Appendix

# Adjustment items

USD thousands

Adjustment items (EBITDA)	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Transaction costs related to acquisition	-	-	-	-	-	-	-	-	-	384	715
Integration costs	-	-	-	-	-	-	-	-	-	-	48
Gain (loss) on disposal of interest in associates	(7)	113	3,080	3,426	-	(291)	-	0	(291)	-	-
<b>Total adjustment items (EBITDA)</b>	<b>(7)</b>	<b>113</b>	<b>3,080</b>	<b>3,426</b>	<b>-</b>	<b>(291)</b>	<b>-</b>	<b>0</b>	<b>(291)</b>	<b>384</b>	<b>763</b>

Adjustment items (EBIT)	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Adjustment items (EBITDA)	(7)	113	3,080	3,426	-	(291)	-	0	(291)	384	763
Amortisation and impairment	-	-	3,930	3,930	-	-	-	-	-	-	-
<b>Total adjustment items (EBIT)</b>	<b>(7)</b>	<b>113</b>	<b>7,010</b>	<b>7,356</b>	<b>-</b>	<b>(291)</b>	<b>-</b>	<b>0</b>	<b>(291)</b>	<b>384</b>	<b>763</b>

Adjustment items (profit (loss) after taxes)	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Adjustment items (EBIT)	(7)	113	7,010	7,356	-	(291)	-	0	(291)	384	763
Gain on bargain purchase	-	-	-	-	-	-	-	-	-	-	(11,067)
<b>Total adjustment items (profit (loss) after taxes)</b>	<b>(7)</b>	<b>113</b>	<b>7,010</b>	<b>7,356</b>	<b>-</b>	<b>(291)</b>	<b>-</b>	<b>0</b>	<b>(291)</b>	<b>384</b>	<b>(10,304)</b>

# General

## Basis of preparations

This presentation provides consolidated financial highlights for the quarter of the Company and its subsidiaries. The consolidated financial information is not reported according to requirements in IAS 34 (Interim Financial Reporting) and the figures are not audited.

The accounting policies adopted in the preparation of this presentation are consistent with those followed in the preparation of the last annual consolidated financial statements for the year ended 31 December 2018, except for the adoption of new standard IFRS 16 Leases have been implemented as of 1 January 2019. A description of the major changes and the effects are included in note 2 (standards issued but not yet effective) on page 37 in the AqualisBraemar' annual report 2018 available on [www.aqualisbraemar.com](http://www.aqualisbraemar.com). The Company has applied the simplified transition approach and comparative amounts are not restated for the year prior to first adoption.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

## Alternative Performance Measures (APMs)

AqualisBraemar discloses APMs in addition to those normally required by IFRS. APMs are meant to provide an enhanced insight into the operations, financing and future prospects of the company. Adjustment items are excluded from alternate profit measures to provide enhanced insight into the financial development of the business operations and to improve comparability between different periods. The Company has defined and explained the purpose of the following APMs:

**Adjusted EBITDA** which excludes share of net profit / (loss) from associates, depreciation, amortisation and impairments is a useful measure because it provides useful information regarding the Company's ability to fund capital expenditures and provides a helpful measure for comparing its operating performance with that of other companies. EBITDA may not be comparable to other similarly titled measures from other companies.

**Adjusted EBIT** which excludes share of net profit / (loss) from associates, impairments of goodwill and investments in associates is a useful measure because it provides an indication of the profitability of the Company's operating activities for the period without regard to significant events and/ or decisions in the period that are expected to occur less frequently.

**Adjusted profit (loss) after taxes** which excludes share of net profit / (loss) from associates, impairments of goodwill and investments in associates is a useful measure because it provides an indication of the profitability of the Company's operating activities for the period without regard to significant events and/or decisions in the period that are expected to occur less frequently.

**Order backlog** is defined as the aggregate value of future work on signed customer contracts or letters of award. Aqualis' services are shifting towards "call out contracts" which are driven by day-to-day operational requirements. An estimate for backlog on "call out contacts" are only included in the order backlog when reliable estimates are available. Management believes that the order backlog is a useful measure in that it provides an indication of the amount of customer backlog and committed activity in the coming periods.

**Working capital** is a measure of the current capital tied up in operations. The amount of working capital will normally be dependent on the revenues earned over the past quarters. Working capital includes trade receivables and other current assets, trade payables, current tax payable and other current liabilities. Working capital may not be comparable to other similarly titled measures from other companies. Working capital ratio provides an indication of the working capital tied up relative to the average quarterly revenue over the past two quarters.



# APMs and Key Figures

USD thousands

Profitability measures	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
<b>Operating profit (loss) (EBIT)</b>	<b>406</b>	<b>130</b>	<b>(6,383)</b>	<b>(5,628)</b>	<b>197</b>	<b>1,032</b>	<b>594</b>	<b>859</b>	<b>2,684</b>	<b>(248)</b>	<b>(284)</b>
Depreciation, amortisation and impairment	31	34	3,963	4,061	33	34	30	32	129	38	38
<b>EBITDA</b>	<b>437</b>	<b>164</b>	<b>(2,420)</b>	<b>(1,566)</b>	<b>231</b>	<b>1,066</b>	<b>624</b>	<b>891</b>	<b>2,813</b>	<b>(210)</b>	<b>(246)</b>
<i>Total adjustment items (EBITDA)</i>	<i>(7)</i>	<i>113</i>	<i>3,080</i>	<i>3,426</i>	<i>-</i>	<i>(291)</i>	<i>-</i>	<i>0</i>	<i>(291)</i>	<i>384</i>	<i>763</i>
<b>Adjusted EBITDA</b>	<b>429</b>	<b>277</b>	<b>660</b>	<b>1,860</b>	<b>231</b>	<b>776</b>	<b>624</b>	<b>892</b>	<b>2,522</b>	<b>174</b>	<b>517</b>
<b>Operating profit (loss) (EBIT)</b>	<b>406</b>	<b>130</b>	<b>(6,383)</b>	<b>(5,628)</b>	<b>197</b>	<b>1,032</b>	<b>594</b>	<b>859</b>	<b>2,684</b>	<b>(248)</b>	<b>(284)</b>
<i>Total adjustment items (EBIT)</i>	<i>(7)</i>	<i>113</i>	<i>7,010</i>	<i>7,356</i>	<i>-</i>	<i>(291)</i>	<i>-</i>	<i>0</i>	<i>(291)</i>	<i>384</i>	<i>763</i>
<b>Adjusted EBIT</b>	<b>398</b>	<b>243</b>	<b>627</b>	<b>1,729</b>	<b>197</b>	<b>742</b>	<b>594</b>	<b>860</b>	<b>2,393</b>	<b>136</b>	<b>479</b>
<b>Profit (loss) after taxes</b>	<b>79</b>	<b>(426)</b>	<b>(6,231)</b>	<b>(6,477)</b>	<b>(247)</b>	<b>1,357</b>	<b>499</b>	<b>814</b>	<b>2,422</b>	<b>(486)</b>	<b>11,003</b>
<i>Total adjustment items (profit (loss) after taxes)</i>	<i>(7)</i>	<i>113</i>	<i>7,010</i>	<i>7,356</i>	<i>-</i>	<i>(291)</i>	<i>-</i>	<i>0</i>	<i>(291)</i>	<i>384</i>	<i>(10,304)</i>
<b>Adjusted profit (loss) after taxes</b>	<b>72</b>	<b>(312)</b>	<b>779</b>	<b>879</b>	<b>(247)</b>	<b>1,066</b>	<b>499</b>	<b>814</b>	<b>2,131</b>	<b>(102)</b>	<b>699</b>
<b>Basic earnings per share (USD)</b>	<b>0.00</b>	<b>(0.01)</b>	<b>(0.15)</b>	<b>(0.15)</b>	<b>(0.01)</b>	<b>0.03</b>	<b>0.01</b>	<b>0.02</b>	<b>0.06</b>	<b>(0.01)</b>	<b>0.26</b>
<b>Adjusted basic earnings per share (USD)</b>	<b>0.00</b>	<b>(0.01)</b>	<b>0.02</b>	<b>0.02</b>	<b>(0.01)</b>	<b>0.03</b>	<b>0.01</b>	<b>0.02</b>	<b>0.05</b>	<b>(0.00)</b>	<b>0.02</b>

# APMs and Key Figures

USD thousands

Working capital	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Trade receivables	5,994	5,839	7,886	7,886	7,080	7,663	7,663	8,289	8,289	6,901	20,814
Contract assets	2,099	2,177	1,402	1,402	2,201	1,800	2,013	2,297	2,297	1,910	12,288
Other current assets	1,574	1,841	1,631	1,631	2,047	1,442	1,735	1,581	1,581	1,469	6,720
Trade payables	(1,046)	(1,569)	(1,888)	(1,888)	(1,657)	(1,242)	(1,882)	(1,352)	(1,352)	(1,377)	(5,730)
Income tax payable	-	-	(74)	(74)	(81)	(76)	(75)	(159)	(159)	(152)	(430)
Other current liabilities	(2,295)	(2,504)	(2,734)	(2,734)	(3,154)	(2,412)	(2,494)	(2,540)	(2,540)	(2,840)	(6,843)
<b>Net working capital<sup>(3)</sup></b>	<b>6,327</b>	<b>5,785</b>	<b>6,223</b>	<b>6,223</b>	<b>6,436</b>	<b>7,174</b>	<b>6,961</b>	<b>8,116</b>	<b>8,116</b>	<b>5,913</b>	<b>26,820</b>

Operational metrics	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Order backlog at the end of the period (USD million)	10.3	8.5	8.9	8.9	7.2	6.8	6.4	7.8	7.8	9.0	10.7
Average number of full-time equivalent employees <sup>(1)</sup>	160	171	181	164	171	188	185	192	184	182	202
Average billing ratio during the period <sup>(2)</sup>	83%	83%	86%	83%	81%	84%	82%	84%	83%	79%	85%

1) Full time equivalent numbers include subcontractors on 100% utilization equivalent basis

2) Billing ratio for technical staff includes subcontractors on 100% basis

3) Net working capital for Q2 19 adjusted for current portion of lease liabilities of USD 1.5 million and USD 3.0 million owed to Braemar Shipping Services PLC

# Consolidated Statement of Income

USD thousands

Consolidated income statement	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Revenues	7,324	7,312	8,948	31,134	8,159	9,595	8,603	9,828	36,185	8,182	9,869
<b>Total revenues</b>	<b>7,324</b>	<b>7,312</b>	<b>8,948</b>	<b>31,134</b>	<b>8,159</b>	<b>9,595</b>	<b>8,603</b>	<b>9,828</b>	<b>36,185</b>	<b>8,182</b>	<b>9,869</b>
Payroll and payroll related expenses	(3,667)	(3,706)	(3,864)	(15,324)	(3,821)	(4,052)	(3,766)	(4,043)	(15,682)	(3,849)	(4,119)
Other operating expenses	(3,228)	(3,329)	(4,424)	(13,951)	(4,107)	(4,767)	(4,213)	(4,893)	(17,981)	(4,543)	(5,997)
Depreciation, amortisation and impairment	(31)	(34)	(3,963)	(4,061)	(33)	(34)	(30)	(32)	(129)	(38)	(38)
Share of net profit (loss) from associates	7	(113)	(161)	(507)	-	291	-	-	291	-	-
<b>Operating profit (loss) (EBIT)</b>	<b>406</b>	<b>130</b>	<b>(6,383)</b>	<b>(5,628)</b>	<b>197</b>	<b>1,032</b>	<b>594</b>	<b>859</b>	<b>2,684</b>	<b>(248)</b>	<b>(284)</b>
Finance income	22	12	17	71	25	21	2	118	167	13	11,470
Finance expenses	(2)	-	2	-	(6)	(1)	6	1	-	(14)	(12)
Net foreign exchange gain (loss)	(322)	(464)	131	(776)	(399)	374	(42)	94	27	(119)	(58)
<b>Profit (loss) before taxes</b>	<b>104</b>	<b>(323)</b>	<b>(6,234)</b>	<b>(6,333)</b>	<b>(182)</b>	<b>1,427</b>	<b>560</b>	<b>1,073</b>	<b>2,878</b>	<b>(368)</b>	<b>11,116</b>
Income tax expenses	(24)	(103)	3	(144)	(66)	(70)	(62)	(259)	(456)	(118)	(113)
<b>Profit (loss) after taxes</b>	<b>79</b>	<b>(426)</b>	<b>(6,231)</b>	<b>(6,477)</b>	<b>(247)</b>	<b>1,357</b>	<b>499</b>	<b>814</b>	<b>2,422</b>	<b>(486)</b>	<b>11,003</b>

# Consolidated Statement of Financial Position

USD thousands

Consolidated balance sheet	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	Q4 18	Q1 19	Q2 19
<b>ASSETS</b>									
Property, plant and equipment	162	191	160	153	180	167	141	223	2,936
Intangible assets	16,696	17,022	13,063	13,234	12,908	12,867	12,864	12,921	12,901
Investment in associates	2,731	2,812	-	-	-	-	-	-	-
Loan to associates	278	234	-	-	-	-	-	-	-
Deferred tax assets	127	103	69	70	67	67	7	7	561
Trade receivables	5,994	5,839	7,886	7,080	7,663	7,663	8,289	6,901	20,814
Contract assets	2,099	2,177	1,402	2,201	1,800	2,013	2,297	1,910	12,288
Other current assets	1,574	1,841	1,631	2,047	1,442	1,735	1,581	1,469	6,720
Cash and cash equivalents	8,949	9,753	9,709	9,778	9,839	5,814	5,454	7,224	7,842
<b>Total assets</b>	<b>38,610</b>	<b>39,972</b>	<b>33,920</b>	<b>34,563</b>	<b>33,899</b>	<b>30,327</b>	<b>30,633</b>	<b>30,655</b>	<b>64,061</b>
<b>EQUITY AND LIABILITIES</b>									
Share capital	690	690	690	690	690	690	690	690	865
Share premium	47,344	47,344	47,344	47,344	42,670	42,670	42,670	42,670	49,392
Other paid in capital	561	561	563	564	565	566	567	568	568
Retained earnings	(903)	(1,328)	(7,559)	(7,807)	(6,450)	(5,951)	(5,137)	(5,623)	5,380
Foreign currency translation reserve	(13,414)	(12,403)	(12,587)	(11,942)	(12,811)	(12,909)	(13,235)	(13,077)	(13,279)
Deferred tax liability	437	460	156	163	158	158	314	316	507
Other non-current liabilities	555	574	617	659	673	652	713	743	3,103
Trade payables	1,046	1,569	1,888	1,657	1,242	1,882	1,352	1,377	5,730
Income tax payable	-	-	74	81	76	75	159	152	430
Dividends payable	-	-	-	-	4,674	-	-	-	-
Other current liabilities	2,295	2,504	2,734	3,154	2,412	2,494	2,540	2,840	11,366
<b>Total equity and liabilities</b>	<b>38,610</b>	<b>39,972</b>	<b>33,920</b>	<b>34,563</b>	<b>33,899</b>	<b>30,327</b>	<b>30,633</b>	<b>30,655</b>	<b>64,061</b>

# Consolidated Statement of Cash Flow

USD thousands

Consolidated cashflow statement	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Profit (loss) before taxes	104	(322)	(6,234)	(6,333)	(182)	1,427	560	1,073	2,878	(368)	11,116
Non-cash adjustment to reconcile profit before tax to cash flow:											
Estimated value of employee share options	3	1	1	20	1	1	1	1	4	1	0
Depreciation, amortisation and impairment	31	34	3,963	4,061	33	34	30	32	129	38	38
Gain on bargain purchase	-	-	-	-	-	-	-	-	-	-	(11,067)
Share of net loss from associates	(7)	113	3,080	3,426	-	-	-	-	-	-	-
Gain on disposal of interest in associates	-	-	-	-	-	(291)	-	-	(291)	-	-
Changes in working capital:											
Changes in trade receivables and trade creditors	(873)	678	(1,728)	(1,616)	575	(998)	640	(1,156)	(939)	1,413	772
Changes in other receivables and other current liabilities	(239)	(115)	1,331	(99)	(753)	279	(446)	(23)	(943)	740	(2,839)
Interest received	(12)	(10)	(20)	(61)	(19)	(20)	(2)	(7)	(47)	(9)	(5)
Income tax paid	(24)	(77)	(27)	(148)	(61)	(71)	(62)	(100)	(294)	(124)	(190)
Effects related to currency unrealised	327	497	(412)	487	390	(432)	(36)	(107)	(185)	90	(166)
<b>Cash flow from (used in) operating activities</b>	<b>(691)</b>	<b>799</b>	<b>(45)</b>	<b>(263)</b>	<b>(16)</b>	<b>(71)</b>	<b>685</b>	<b>(287)</b>	<b>312</b>	<b>1,780</b>	<b>(2,342)</b>
Purchase of equipment	(29)	(62)	(3)	(99)	(23)	(63)	(21)	(18)	(124)	(19)	(29)
Interest received	12	10	20	61	19	20	2	7	47	9	5
Acquisition of subsidiary, net of cash	-	-	-	-	-	-	-	-	-	-	3,000
Proceeds on disposal of interest in associates	-	-	-	-	-	291	-	-	291	-	-
<b>Cash flow from (used in) investing activities</b>	<b>(17)</b>	<b>(52)</b>	<b>17</b>	<b>(38)</b>	<b>(4)</b>	<b>248</b>	<b>(19)</b>	<b>(11)</b>	<b>214</b>	<b>(10)</b>	<b>2,976</b>
Dividends paid	-	-	-	-	-	-	(4,674)	-	(4,674)	-	-
Payment of lease liabilities	-	-	-	-	-	-	-	-	-	(10)	(12)
<b>Cash flow from (used in) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,674)</b>	<b>-</b>	<b>(4,674)</b>	<b>(10)</b>	<b>(12)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(708)</b>	<b>748</b>	<b>(29)</b>	<b>(301)</b>	<b>(20)</b>	<b>177</b>	<b>(4,007)</b>	<b>(298)</b>	<b>(4,148)</b>	<b>1,760</b>	<b>622</b>
Cash and cash equivalents at the beginning of the period	9,615	8,948	9,754	9,910	9,709	9,778	9,839	5,814	9,709	5,454	7,224
Effect of exchange rate changes on cash and cash equivalents	41	58	(16)	100	89	(116)	(17)	(62)	(107)	10	(5)
<b>Cash and cash equivalents at the end of the period</b>	<b>8,948</b>	<b>9,754</b>	<b>9,710</b>	<b>9,709</b>	<b>9,778</b>	<b>9,839</b>	<b>5,814</b>	<b>5,454</b>	<b>5,454</b>	<b>7,224</b>	<b>7,842</b>



# Revenues and EBIT

## - split per segments

USD thousands

Revenues	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Middle East	2,851	2,585	3,702	12,505	3,984	5,029	3,855	4,928	17,796	4,164	4,483
Far East	1,913	1,947	2,262	7,764	1,595	1,858	2,155	3,002	8,610	2,135	2,662
Therein: OWC entities	-	-	-	-	-	-	237	1,015	1,251	708	675
Europe	2,288	2,098	2,590	9,029	1,995	2,168	2,201	2,361	8,725	1,876	3,188
Therein: OWC entities	1,134	1,139	1,305	4,439	1,145	1,260	1,587	1,689	5,680	1,482	2,397
Americas	640	932	1,090	3,434	1,060	1,173	1,270	890	4,392	1,031	1,460
Eliminations	(368)	(249)	(696)	(1,598)	(474)	(634)	(878)	(1,353)	(3,339)	(1,024)	(1,923)
Therein: OWC entities	(140)	(63)	(29)	(298)	-	-	(173)	(663)	(837)	(457)	(340)
<b>Revenues</b>	<b>7,324</b>	<b>7,312</b>	<b>8,948</b>	<b>31,134</b>	<b>8,159</b>	<b>9,595</b>	<b>8,603</b>	<b>9,828</b>	<b>36,185</b>	<b>8,182</b>	<b>9,869</b>

Operating profit (loss) (EBIT)	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Middle East	281	270	246	1,097	400	860	263	545	2,068	291	365
Far East	166	142	165	603	37	153	211	505	906	(71)	124
Therein: OWC entities	-	-	-	-	-	-	23	157	180	47	124
Europe	245	(186)	138	392	(175)	(141)	(21)	(32)	(370)	(36)	205
Therein: OWC entities	225	(133)	91	440	(21)	(110)	112	60	40	100	199
Americas	(142)	92	153	101	56	100	220	(14)	362	43	(41)
Corporate group costs	(152)	(75)	(75)	(464)	(121)	(230)	(78)	(144)	(574)	(475)	(937)
Share of net profit (loss) from associates	7	(113)	(161)	(507)	-	291	-	0	291	-	-
Impairment of investment in associates	-	-	(2,919)	(2,919)	-	-	-	-	-	-	-
Impairment of goodwill	-	-	(3,930)	(3,930)	-	-	-	-	-	-	-
<b>EBIT</b>	<b>406</b>	<b>130</b>	<b>(6,383)</b>	<b>(5,628)</b>	<b>197</b>	<b>1,032</b>	<b>594</b>	<b>861</b>	<b>2,684</b>	<b>(248)</b>	<b>(284)</b>



# Trade receivable & Cash and cash equivalents

## - split per segments

USD thousands

Trade receivables	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Middle East	2,527	2,139	3,400	3,400	3,413	4,099	3,865	4,824	4,824	4,069	5,450
Far East	1,050	1,241	1,897	1,897	1,271	1,456	1,845	1,992	1,992	1,016	6,255
Therein: OWC entities	-	-	-	-	-	-	-	316	316	-	537
Europe	1,541	1,487	1,971	1,971	1,462	1,030	1,083	602	602	879	4,534
Therein: OWC entities	477	676	1,207	1,207	796	331	499	149	149	557	436
Americas	876	972	618	618	934	1,078	870	872	872	937	4,575
<b>Trade receivables</b>	<b>5,994</b>	<b>5,839</b>	<b>7,886</b>	<b>7,886</b>	<b>7,080</b>	<b>7,663</b>	<b>7,663</b>	<b>8,289</b>	<b>8,289</b>	<b>6,901</b>	<b>20,814</b>
Cash and cash equivalents	Q2 17	Q3 17	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19
Middle East	104	454	536	536	546	366	958	747	747	1,168	1,572
Far East	554	887	711	711	981	983	1,632	1,374	1,374	2,607	3,121
Therein: OWC entities	-	-	-	-	-	-	541	97	97	881	134
Europe	917	1,088	1,010	1,010	944	858	805	1,005	1,005	1,086	1,279
Therein: OWC entities	519	765	425	425	535	445	482	682	682	931	639
Americas	261	138	421	421	272	291	470	446	446	563	513
Corporate group	7,112	7,187	7,031	7,031	7,035	7,341	1,949	1,882	1,882	1,800	1,357
<b>Cash and cash equivalents</b>	<b>8,949</b>	<b>9,753</b>	<b>9,709</b>	<b>9,709</b>	<b>9,778</b>	<b>9,839</b>	<b>5,814</b>	<b>5,454</b>	<b>5,454</b>	<b>7,224</b>	<b>7,842</b>

# Top 20 shareholders

---

#	Name	Shares	%
1	Braemar Shipping Services Plc	19 240 621	27,3
2	Gross Management As	9 367 996	13,3
3	Bjørn Stray	2 266 121	3,2
4	Holmen Spesialfond	2 193 431	3,1
5	Mp Pensjon Pk	1 801 128	2,6
6	Oma Invest As	1 694 000	2,4
7	Lgt Bank Ag	1 502 923	2,1
8	Saxo Bank A/S	1 481 974	2,1
9	Carnegie Investment Bank Ab	1 389 614	2,0
10	Tigerstaden As	1 380 199	2,0
11	Badreddin Diab	1 001 302	1,4
12	Acme Capital As	1 000 000	1,4
13	Dnb Markets Aksjehandel/-Analyse	972 131	1,4
14	Trapesa As	940 504	1,3
15	Philip Alan Lenox	830 583	1,2
16	Magne Gislerød	800 000	1,1
17	Leoville As	786 663	1,1
18	Ginko As	750 000	1,1
19	Alsto Consultancy Ltd	723 727	1,0
20	Kula Invest As	653 971	0,9
<b>Top 20 shareholders</b>		<b>50 776 888</b>	<b>72,1</b>

Source: VPS, 27.08.2019