



# AqualisBraemar ASA 2019 Q4 results

February 27, 2020



[aqualisbraemar.com](http://aqualisbraemar.com)

# 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**

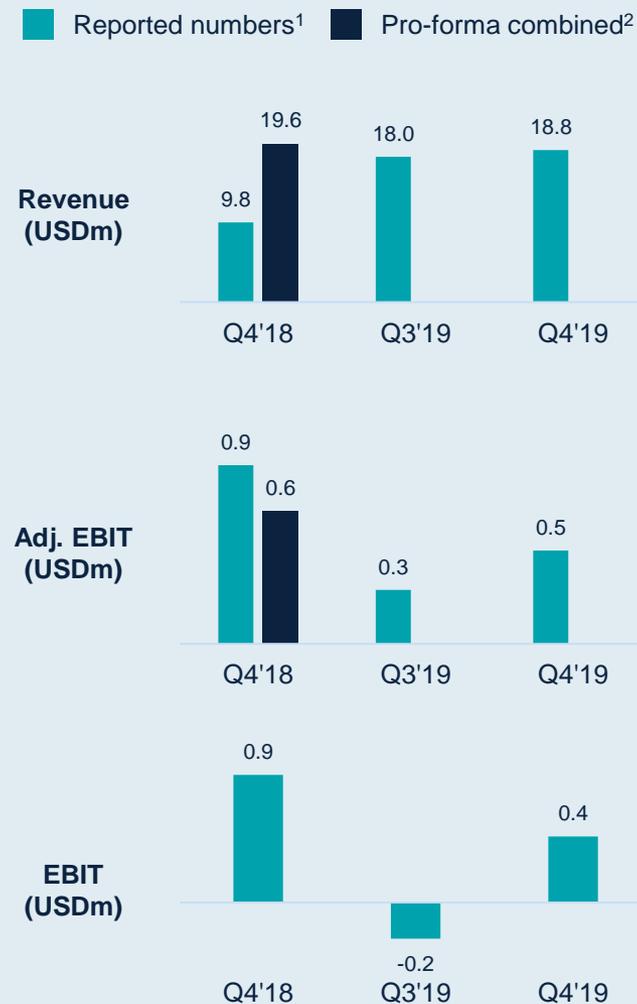
# 2019 – A defining year for AqualisBraemar

- Successful acquisition of Braemar Technical Services (BTS)
  - Fulfilled long term strategic goal to expand into insurance services
  - Strengthened client offering and market position
  - Positive feedback from staff, clients and the markets
  - Estimated cost synergies of USD 2.5 million vs initial estimate of USD 1.1 million
- 2019 pro-forma combined revenue of USD 73.4 million
  - 103% increase vs 2018 Aqualis stand-alone revenue
  - 3% decrease vs 2018 pro-forma combined revenue
- 2019 pro-forma combined adjusted EBIT of USD 0.7m (2018: USD 1.2m)
  - Weak start of 2019, but positive trend towards second half
- Continued strong growth in renewables – organic revenue growth of 46% year-on-year



# Q4 2019 Highlights

- Revenues of USD 18.8 million, up 4% vs Q3 19
- Operating profit (EBIT) of USD 0.4 million
- Billing ratio of 69%
- Quarterly improvement driven primarily by offshore activity in Middle East and Americas
- Integration progressing on track – cost synergy estimate of USD 2.5 million maintained
- Robust financial position with cash balance of USD 10.9 million
- Proposed dividend of NOK 0.2 per share, moving to semi-annual schedule



5 <sup>1</sup> Reported figures are Aqualis stand-alone up to and including Q2 2019. BTS was consolidated as of Q3 2019.

<sup>2</sup> Pro-forma combined Aqualis and BTS.

# AqualisBraemar business model

---



*High end consultancy services  
to the global energy, shipping  
and insurance industries*

## Core services



**Project consulting**



**Accident prevention**



**Incident management**

# AqualisBraemar business streams

## Renewables



*Independent engineering and consultancy services to offshore wind industry*

- Project management
- Engineering
- Consulting and advisory
- Experience from >55 projects representing total capacity of 30GW
- Marketed as Offshore Wind Consultants (OWC)

## Offshore



*Engineering and consultancy services to the offshore oil and gas industry*

- Rig moving (Tow master)
- Marine warranty surveys
- Transport and installation
- Construction supervision
- Inspections & approvals
- Engineering
- Decommissioning, ++

## Marine



*Worldwide emergency incident response and surveys to marine insurance industry and asset owners*

- Hull & machinery surveys
- Casualty investigations
- Condition surveys
- Risk assessments
- Technical due diligence
- Cargo and damage surveys, ++

## Adjusting



*Loss adjusting and dispute resolution to the onshore and offshore energy insurance markets*

- Loss adjusting
- Expert witness
- Risk assessment
- Dispute resolution
- Servicing upstream and downstream oil and gas, power & utilities, renewables, mining, marine infrastructure, ++

# Global footprint represents unique value to clients



**423**

Employees<sup>1</sup>



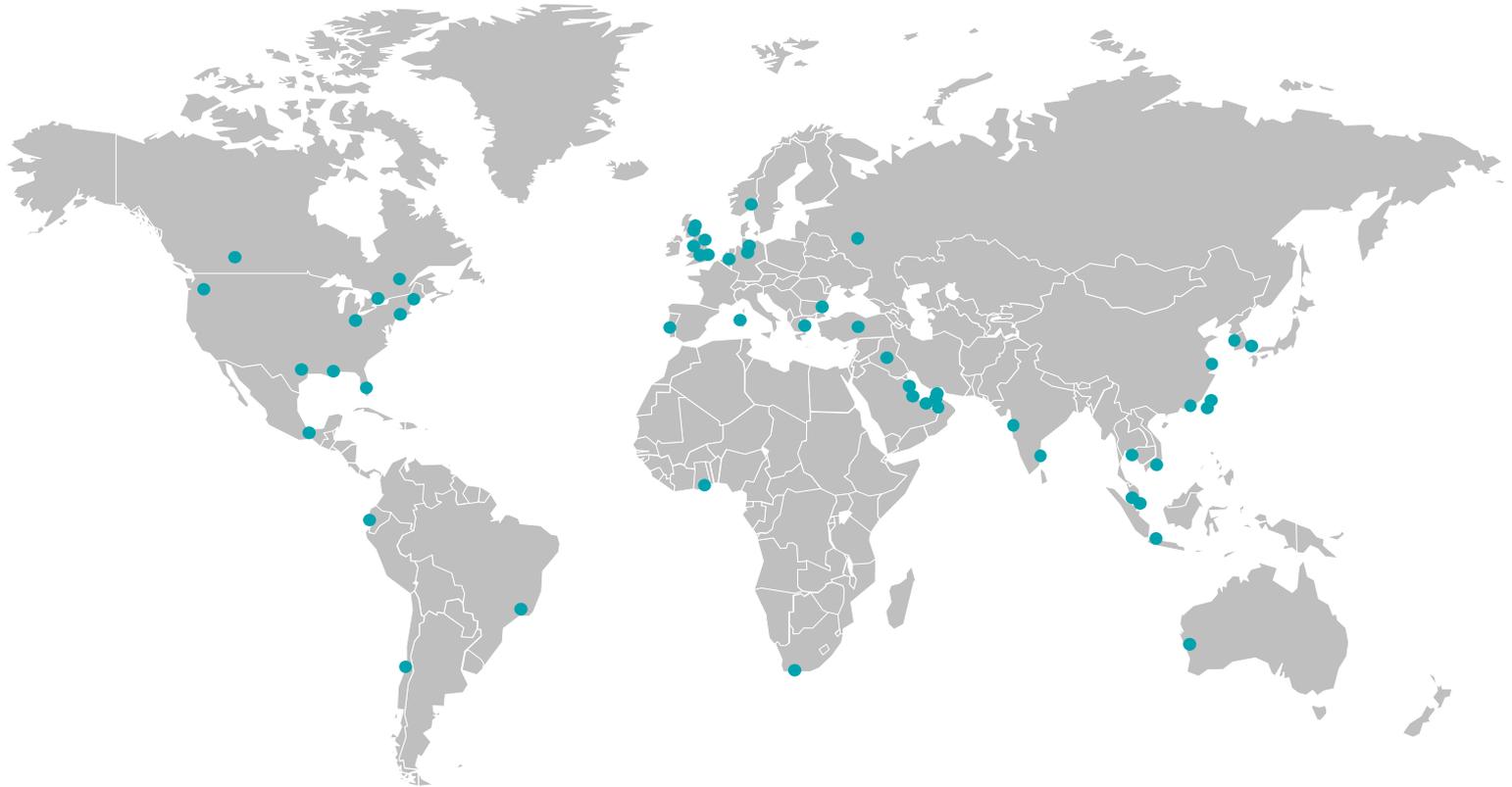
**48**

Locations



**31**

Countries

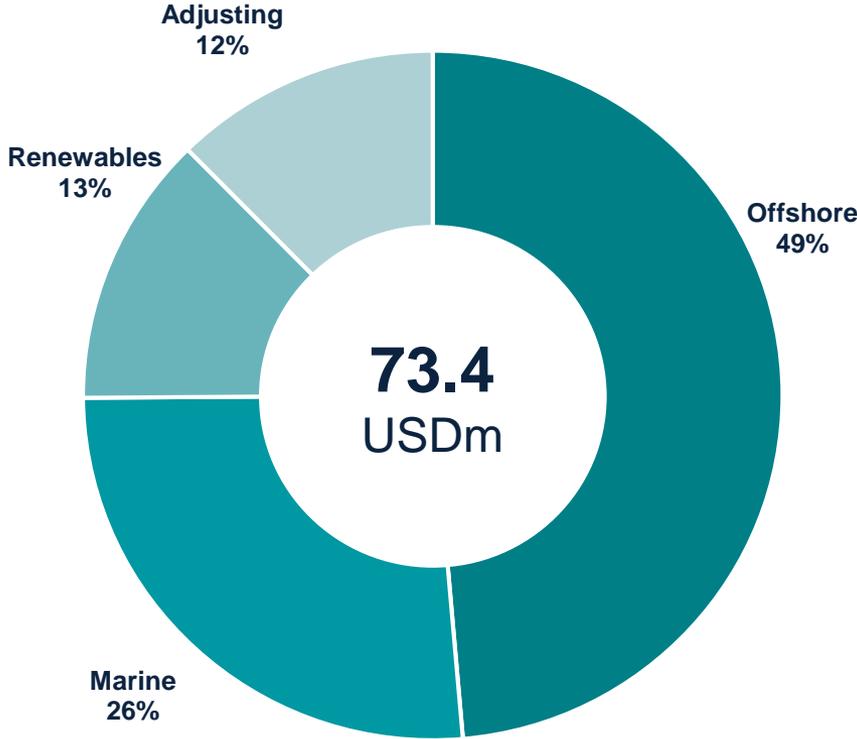


Global footprint provides clients with local expertise and swift response

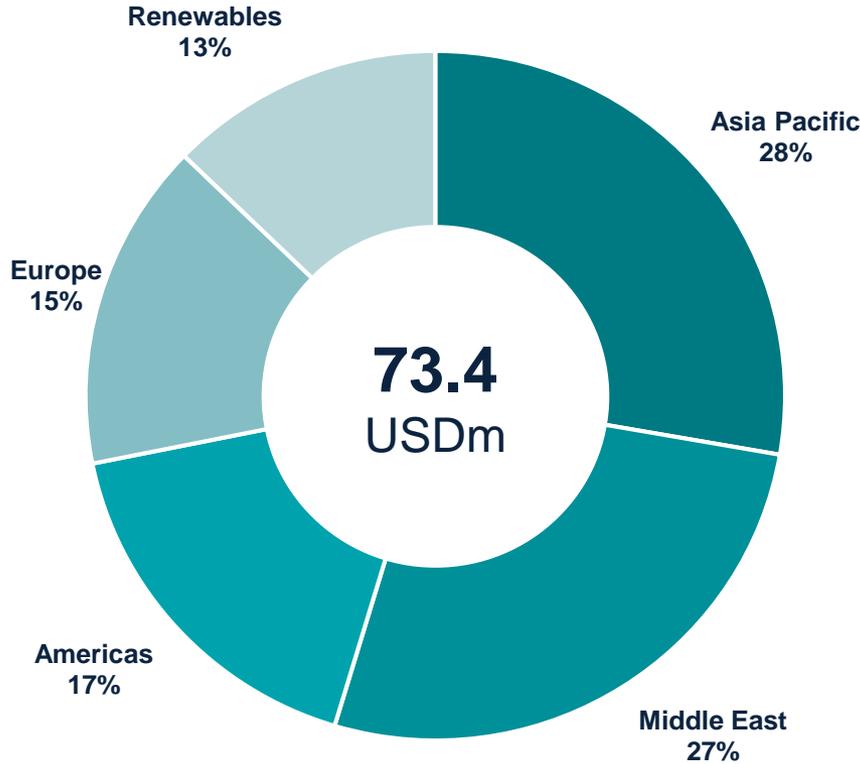
8 <sup>1</sup> Includes subcontractors on 100% utilisation basis. Calculated as an average during Q4 2019  
Map shows partnerships and exclusive subcontractors in addition to AqualisBraemar locations

# Diversified across regions and services

## Business stream revenue 2019



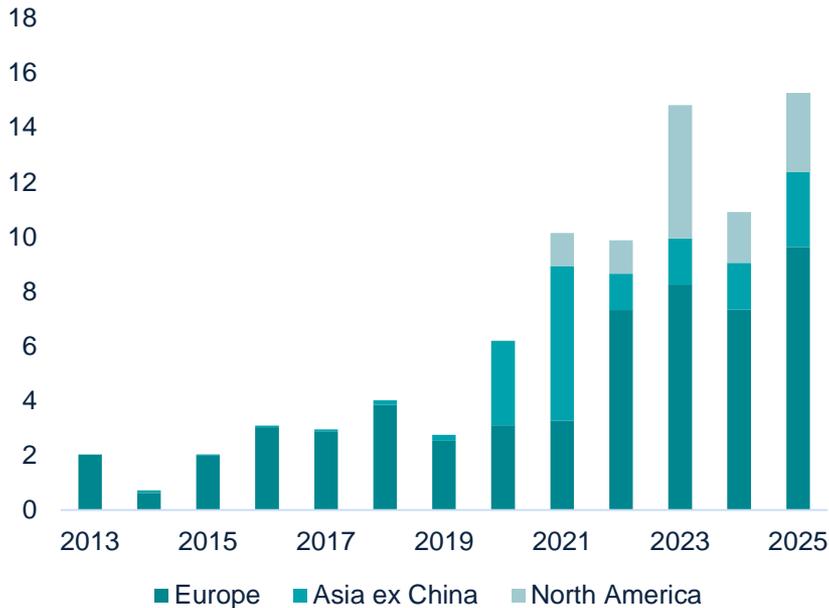
## Segment revenue 2019



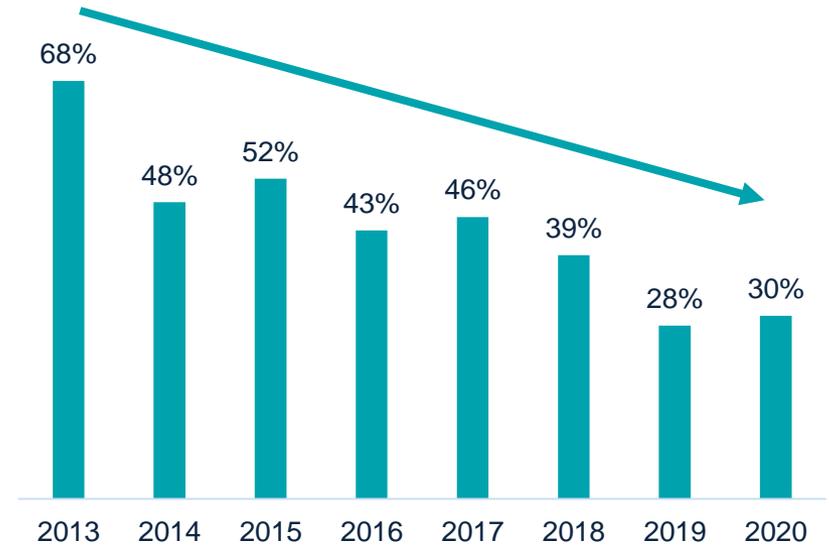
9 Note: Proforma combined figures for 2019. No adjustment for intercompany eliminations.  
Note: Renewables segment defined as activity in OWC entities

# Global growth in offshore wind brings new developers

Project pipeline (GW) – Ex China<sup>1</sup>



Market share, Top 3 developers<sup>2</sup>



- Record volume of offshore wind project startups expected in 2020
- New geographies and new developers drive demand for project management and consulting

# Project: Inspection of Floating Lidar System

- In Q4, we completed an inspection and typhoon-readiness assessment of a Floating Lidar System
- Our findings helped client to gain confidence and reduce the risk profile associated with planned deployment offshore South-Korea
- We have extensive experience with different Floating Lidar designs and understanding of the industries requirements and applicable standards and best practices



*Floating Lidar Systems are a novel technology to measure wind resource and oceanographic characteristics, invented to replace cost-intensive offshore meteorological masts and accordingly to reduce DEVEX costs, increase flexibility and reduce realisation time of measurements.*

In 2019, OWC...

...worked on

**27 farms**

with total capacity of

**19 GW**

...undertook

**621**

Soil Boring Analyses

...delivered

**46%**

revenue growth

# OWC secures new project work in Vietnam

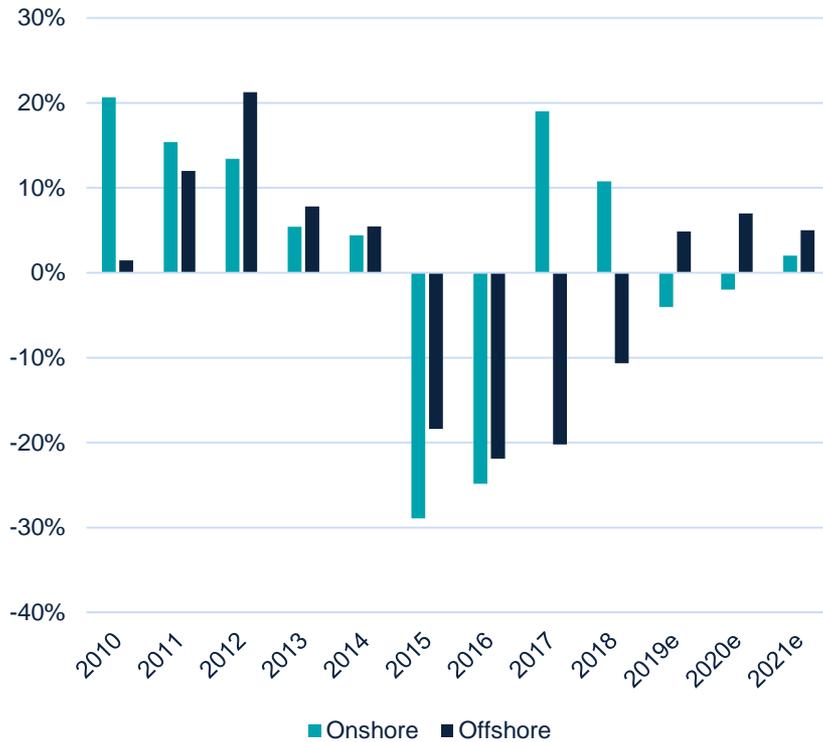
---

- New contract with Mainstream Phu Cuong Company Limited in Vietnam to assist with the drafting of Employer's Requirements for the Mainstream Phu Cuong Offshore Wind Project
- Reinforces our commitment to providing services to the rapidly growing Vietnam offshore wind industry and marks the continuation of a working relationship with Mainstream Renewable Power since 2012



# Offshore capex and jackup activity back to growth

## E&P capex growth



## Rigs under contract



# Project: MWS for decommissioning in Thailand

- In Q4, we were contracted by COOEC as MWS for decommissioning of WPP & WHP (Topside and Full Jacket Removal) at SKL-C Field, Gulf of Thailand, Thailand
- This was the first ever jacket removal in Gulf of Thailand
- The scope of work consisted of document review, MWS attendance for towage approval of material barges, approval for topsides & jackets jacket removal and towage approval from offshore removal location to dismantling yard in Laem Cha Bang



In 2019, Offshore...

...performed

**600+**

rig moves globally

...carried out

**300+**

MWS projects

...worked for

**200+**

different clients

# Growth in Technical Due Diligence space

- In 2019, AqualisBraemar Marine won 6 new contracts for Technical Due Diligence services - assisting financial institutions and shipowners with mergers, acquisitions and refinancing
- Various vessel types including passenger ferries, bulkers, cable layers, cruise ships, OSVs and commercial fishing fleets
- Our marine consultants have experience as surveyors, ship managers and have sailed in senior positions aboard a wide range of vessels, making us uniquely positioned to assist clients with due diligence work



In 2019, Marine...

...received

**1,920**

instructions from

**620**

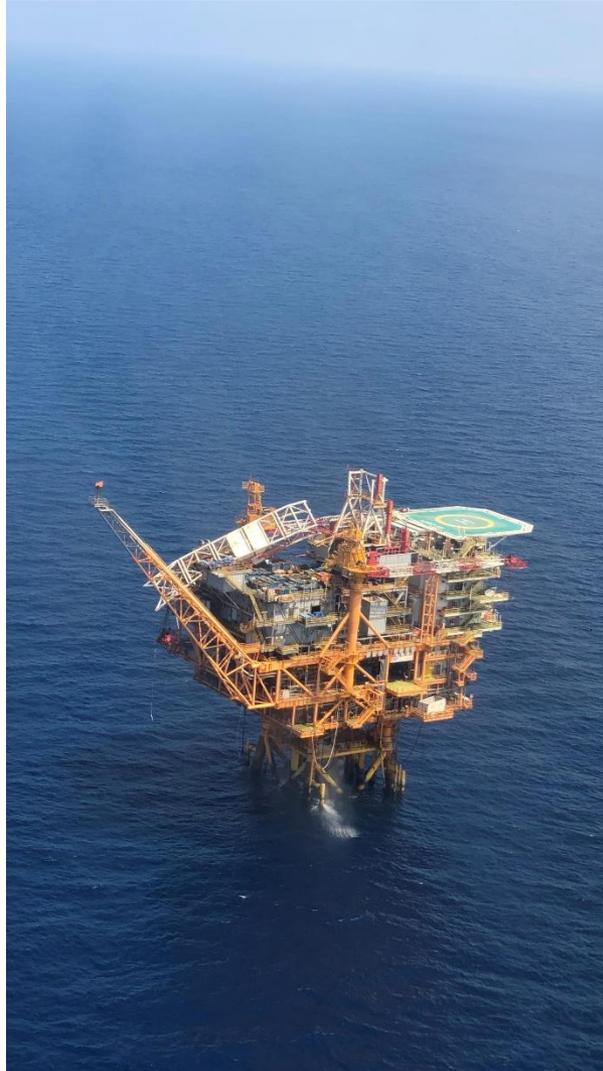
unique clients

...dealt with total repair quantum of

**>540 USDm**

# Project: Typhoon damage to platforms offshore Shanghai

- In Q3-Q4 2019, we reviewed damage and adjusted damage claims arising from storm damages to 16 platforms in the East China Sea due to Typhoon Ling Ling
- We attended on behalf of CNOOC's underwriters, to review damages and subsequently adjust CNOOC's claim for repair costs



In 2019, Adjusting...

...received

**275**

instructions globally

...was appointed on

**all 5 largest**  
casualties in the Lloyd's  
market

# Environmental, Social & Governance

---

- In Q1 2020 we initiated a comprehensive process to establish best practice ESG reporting and instil sustainability into the culture and forward strategy of the group – **AqualisBraemar2030**

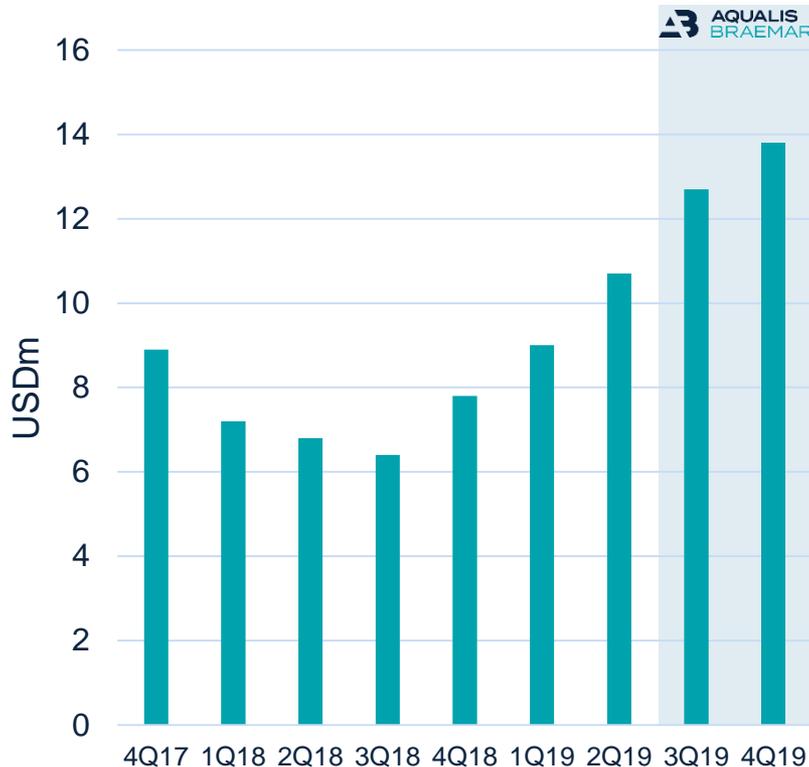
## AqualisBraemar2030

- Implement **ESG reporting** anchored in the principles of the **UN Global Compact** & other recognized guidelines & standards
- Build on our existing **strong governance** standards ensuring diversity, inclusion & ethical business centred on human rights & equality
- Explore opportunities to allow the company & our people engage in efforts to promote **greater environmental responsibility** in line with the 1992 Rio Earth Summit
- Work towards a company wide **net zero carbon target** to stay ahead of our markets & contribute to a net zero world
- Continue to grow, innovate & develop new services to both accelerate & de-risk the **energy transition** & create business value

*Energy and the oceans are at the centre of our business;  
the sustainability of both is vital for the future of our company and the world in which we operate*

# Order backlog development

## Order backlog<sup>1</sup>

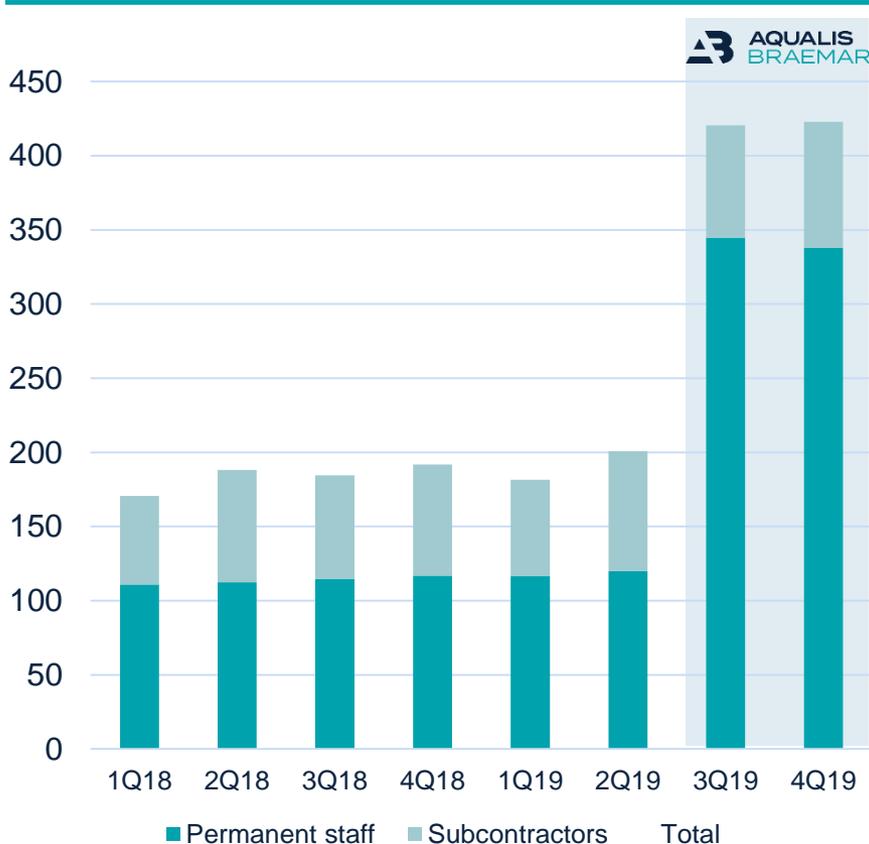


## Highlights Q4 2019

- Order backlog at USD 13.8 million, up 9% from Q3 2019
- Weighted pipeline of opportunities significantly increased from last quarter
- 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

# Staff level development

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



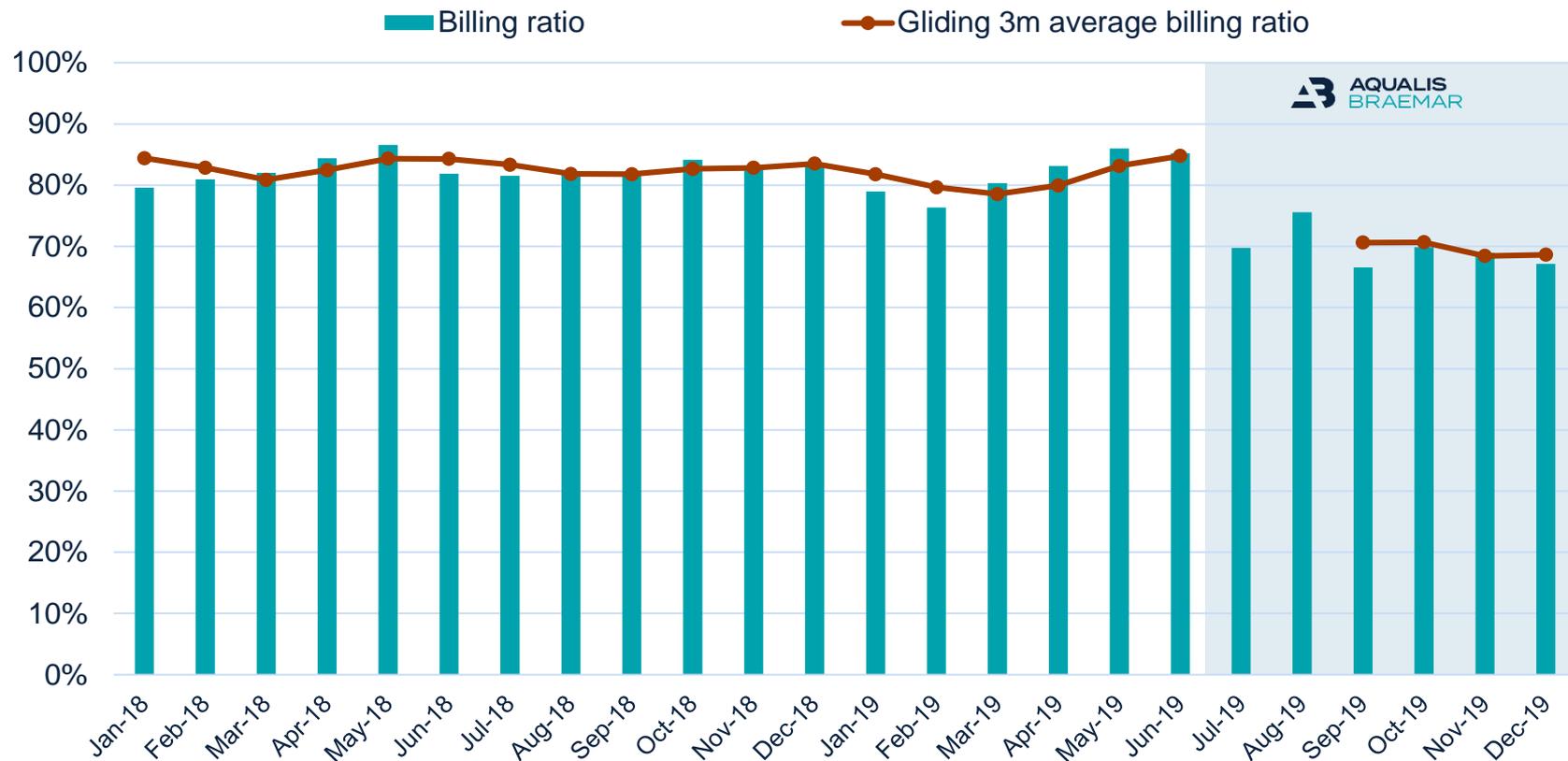
## Highlights Q4 2019

- Average staff levels in Q4 2019 slightly increased due to higher activity driving use of subcontractors
- Increased share of subcontractors in Q4 2019 - the group aims to further increase the subcontractor share to allow for a more flexible cost base
- New recruitment underway for additional technical staff

**19** <sup>1</sup> Average full-time equivalents in the quarter. Numbers include subcontractors on 100% utilisation basis and excludes staff made temporary redundant. BTS consolidated from 3Q19.

# Billing ratio development

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



<sup>1</sup> Billing ratio for technical staff including subcontractors. For offshore oil & gas and offshore renewables: 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, authorized annual leave) and unpaid absence (sabbatical and other unpaid leave). Methodology for calculating billing ratios for marine and adjusting entities will be aligned with other business streams once the whole group has implemented the same time sheet systems



1. Highlights  
David Wells  
CEO



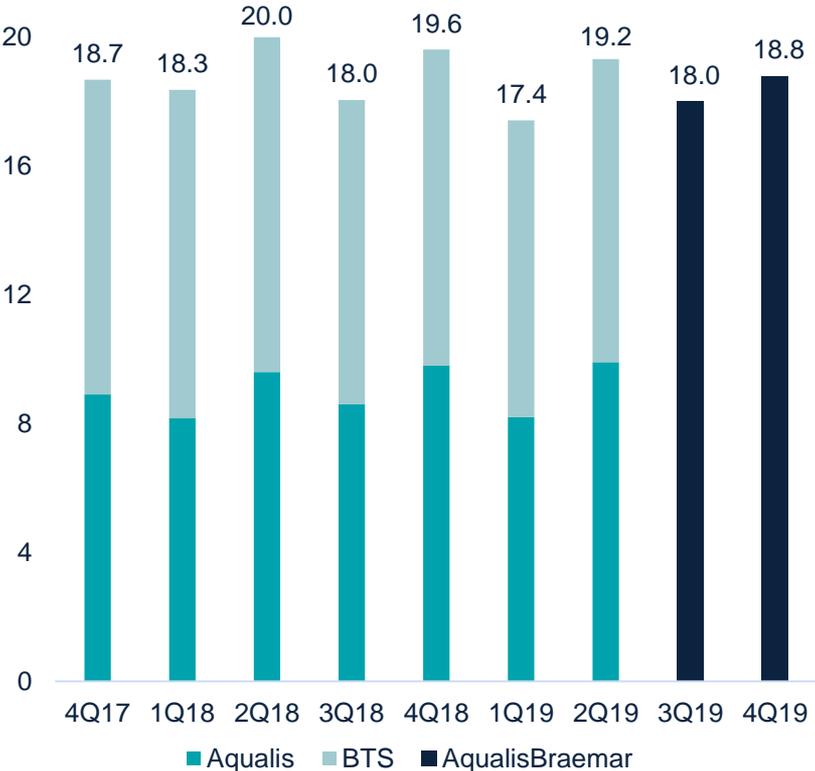
2. Financial review  
Kim Boman  
CFO



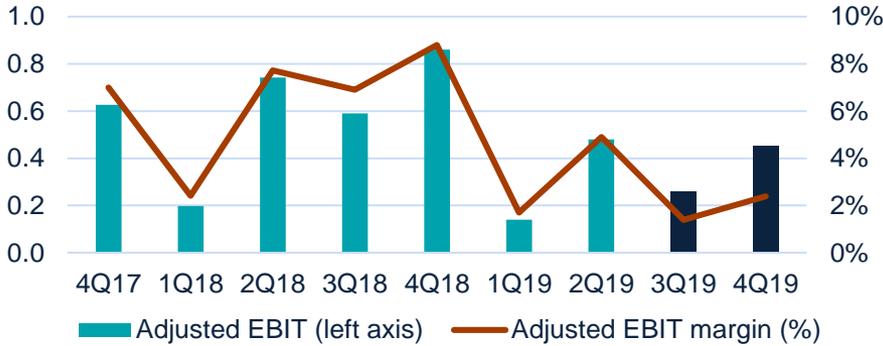
3. Outlook  
David Wells  
CEO

# Revenue and adjusted EBIT

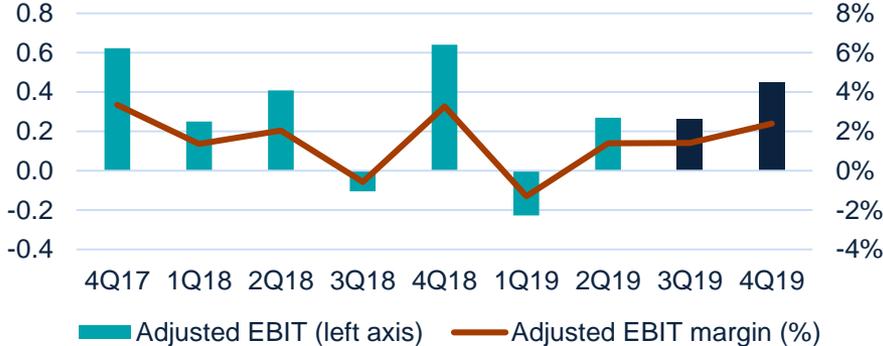
Revenue, pro-forma combined (USDm)



Adj EBIT<sup>1</sup>, as reported (USDm)



Adj EBIT<sup>1</sup>, pro-forma combined (USDm)



22 Note: BTS results consolidated from 3Q19. Unless otherwise noted, figures prior to 3Q19 are as reported as Aqualis. BTS figures are pro-forma.  
 1) Adjusted EBIT: Refer to Alternative Performance Measures in Appendix

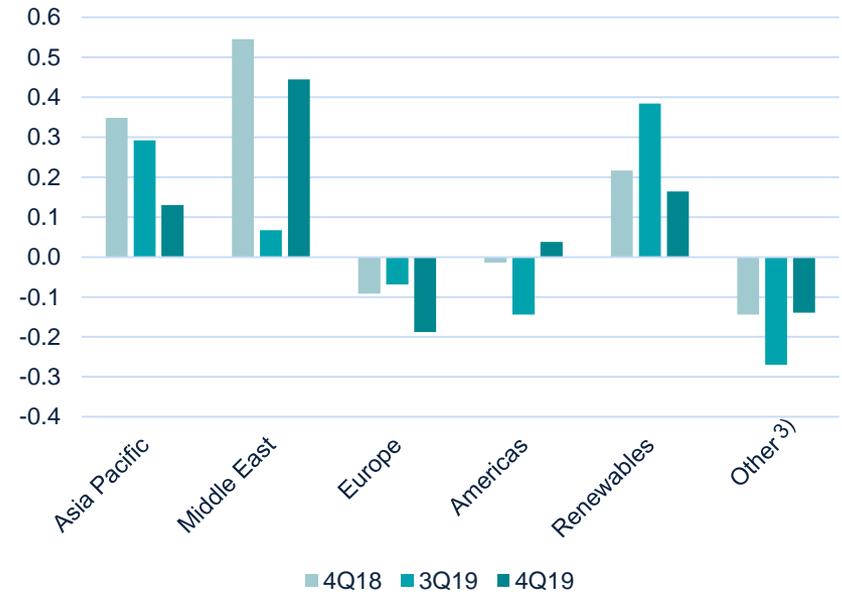


# Segment revenues and EBIT

## Segment revenues (USDm)



## Segment adjusted EBIT<sup>1</sup> (USDm)



- Quarterly improvement in revenue and EBIT primarily driven by Middle East and Americas
- Middle East and Renewables deliver 7% EBIT margin, margins remain low in other segments
- Increased intercompany trading indicates benefits of combination

Note: BTS results consolidated from 3Q19. Figures for 4Q18 are as reported as Aqualis, not pro-forma combined

23 1) Adjusted EBIT: Refer to Alternative Performance Measures in Appendix

2) Renewables segment defined as activity in OWC entities

3) Other revenue consists of eliminations. Other EBIT consists of group overheads and eliminations

# Income Statement

USD thousands

Consolidated income statement	Q4 19	Q4 18	FY 19	FY 18
Revenues	18 785	9 828	54 792	36 185
<b>Total revenues</b>	<b>18 785</b>	<b>9 828</b>	<b>54 792</b>	<b>36 185</b>
Payroll and payroll related expenses	(9 801)	(4 043)	(28 536)	(15 682)
Other operating expenses	(8 288)	(4 893)	(25 900)	(17 981)
Depreciation and impairment	(252)	(32)	(690)	(129)
Share of net profit (loss) from associates	-	-	-	291
Impairment of investment in associates	-	-	-	-
<b>Operating profit (loss) (EBIT)</b>	<b>444</b>	<b>860</b>	<b>(332)</b>	<b>2 684</b>
Gain on bargain purchase	(41)	-	11 026	-
Finance income	(616)	118	79	167
Finance expenses	(563)	1	(625)	-
Net foreign exchange gain (loss)	(216)	94	(248)	27
<b>Profit (loss) before taxes</b>	<b>(992)</b>	<b>1 073</b>	<b>9 900</b>	<b>2 878</b>
Income tax expenses	(503)	(259)	(908)	(456)
<b>Profit (loss) after taxes</b>	<b>(1 495)</b>	<b>814</b>	<b>8 992</b>	<b>2 422</b>

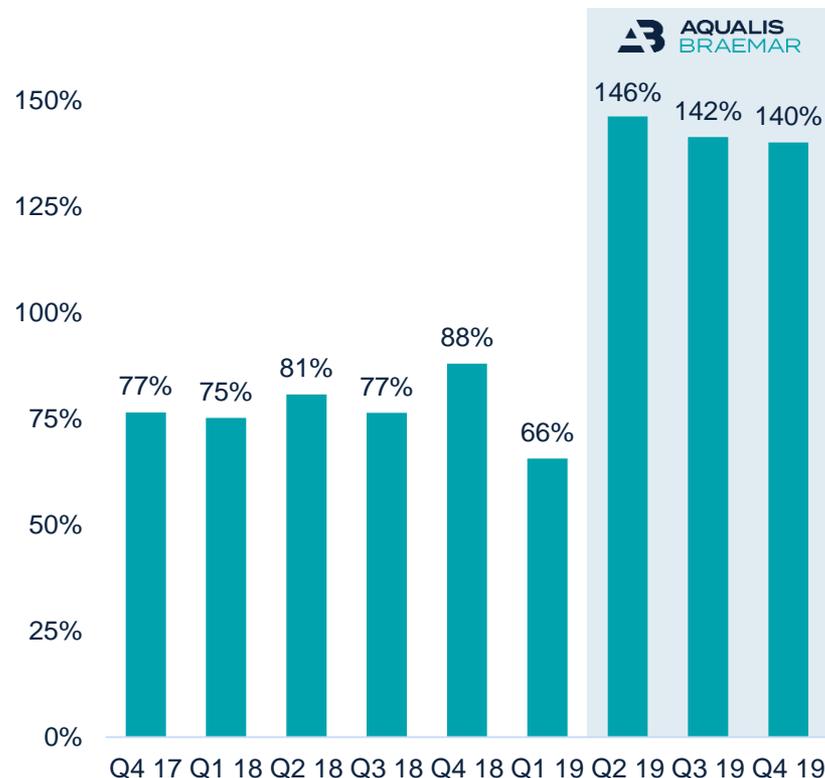
- Revenues for Q4 2019 up 91% from Q4 2018
  - Growth related largely to the acquisition of BTS
- EBIT of USD 0.4 million, no significant adjustments

# Cash flow and financial position

## Highlights Q4 2019

- Solid financial position with USD 10.9 million in cash
- Capitalized lease of USD 2.4 million
- Operational cash flow of USD 0.5 million in the quarter
- Working capital of USD 25.8 million, down from USD 26.3 million in Q3 2019
  - Reduction in working capital largely attributable to additional loss allowance made in accordance with IFRS 9
- Review of billing and collection procedures initiated

## Working capital<sup>1</sup> (% of quarterly revenue)



**25** (1) Working capital ratio calculated as working capital over average quarterly revenues for last 2 quarters. BTS balance consolidated from Q2 2019. Refer to definition in Alternative Performance Measures in Appendix

# Proposing dividend of NOK 0.2 per share

---

- Proposing dividend of NOK 0.2 per share, corresponding to approx. USD 1.5 million
  - During the initial AqualisBraemar integration phase, the company has maintained a larger liquidity buffer than normal. As the integration is on track and progressing well, the Board of Directors has proposed to repay some of this cash to shareholders to increase capital efficiency
  - The distribution will for tax purposes be considered a repayment of paid-in capital
  - The dividend is subject to shareholder approval at the AGM planned for 10 June 2020 and will be paid shortly thereafter
- Moving to semi-annual dividend schedule
  - The Board proposes implementing a semi-annual dividend schedule to increase capital efficiency
  - If granted the requisite authorisation at the AGM, the Board expects to resolve and declare an additional dividend during the second half of 2020 based on profitability and improved working capital

# AqualisBraemar Group targets

---

- Financial targets over a business cycle
  - Organic revenue growth of 5 percent
  - EBITA margin of 10 percent (excluding effects from IFRS 16 Leases and items affecting comparability)
  - Dividend policy where the dividend over time corresponds to approximately 50-70 percent of consolidated profit after tax excluding exceptional items and non-cash items, paid semi-annually



1. Highlights  
David Wells  
CEO



2. Financial review  
Kim Boman  
CFO



3. Outlook  
David Wells  
CEO

# Summary and outlook

---

- AqualisBraemar integration is on track and progressing well
- Positive market outlook
  - Rapid growth and increasing globalisation in the offshore wind market
  - Offshore O&G markets improving from low levels – jackup activity leading the recovery
- Positive start to 2020 across group, but increased tail risk from COVID-19
  - Activity in China will be significantly affected in the first half of the year
- Improving capital efficiency and returning cash to shareholders
  - Proposing dividend of NOK 0.2 per share, corresponding to USD 1.5 million
  - Goal of paying additional dividend during 2020 based on profitability and improved working capital
- AqualisBraemar will continue to be active in further consolidation of our industry



# Appendix

# Adjustment items

USD thousands

Adjustment items (EBITDA)	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Transaction costs related to acquisition	-	-	-	-	-	-	-	384	715	30	-	1 129
Restructuring and integration costs	-	-	-	-	-	-	-	-	48	475	5	528
Share of net profit (loss) from associates	3 080	3 426	-	(291)	-	-	(291)	-	-	-	-	-
<b>Total adjustment items (EBITDA)</b>	<b>3 080</b>	<b>3 426</b>	<b>-</b>	<b>(291)</b>	<b>-</b>	<b>-</b>	<b>(291)</b>	<b>384</b>	<b>763</b>	<b>505</b>	<b>5</b>	<b>1 657</b>

Adjustment items (EBIT)	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Adjustment items (EBITDA)	3 080	3 426	-	(291)	-	-	(291)	384	763	505	5	1 657
Amortisation and impairment	3 930	3 930	-	-	-	-	-	-	-	-	-	-
<b>Total adjustment items (EBIT)</b>	<b>7 010</b>	<b>7 356</b>	<b>-</b>	<b>(291)</b>	<b>-</b>	<b>-</b>	<b>(291)</b>	<b>384</b>	<b>763</b>	<b>505</b>	<b>5</b>	<b>1 657</b>

Adjustment items (profit (loss) after taxes)	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Adjustment items (EBIT)	7 010	7 356	-	(291)	-	-	(291)	384	763	505	5	1 657
Gain on bargain purchase	-	-	-	-	-	-	-	-	(11 067)	-	41	(11 026)
Other finance income	-	-	-	-	-	-	-	-	(395)	(266)	661	-
<b>Total adjustment items (profit (loss) after taxes)</b>	<b>7 010</b>	<b>7 356</b>	<b>-</b>	<b>(291)</b>	<b>-</b>	<b>-</b>	<b>(291)</b>	<b>384</b>	<b>(10 699)</b>	<b>239</b>	<b>708</b>	<b>(9 369)</b>

(Note that positive numbers are costs, negative numbers are income)

# 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. Certain items may not be indicative of the ongoing operating result of the company and are excluded from the alternate profit measures. Profit measures excluding those adjustment items are presented as an alternative measures to improve comparability of the underlying business performance between the periods. The Company has defined and explained the purpose of the following APMs:

**Adjusted EBITDA** which excludes depreciation, amortisation and impairments, share of net profit (loss) from associates, transaction costs related to acquisitions, restructuring and integration costs 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 amortisation and impairments, share of net profit (loss) from associates, transaction costs related to acquisitions, restructuring and integration costs 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 amortisation and impairments, share of net profit (loss) from associates, transaction costs related to acquisitions, restructuring and integration costs and certain finance income 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	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
<b>Operating profit (loss) (EBIT)</b>	<b>(6 383)</b>	<b>(5 628)</b>	<b>197</b>	<b>1 032</b>	<b>594</b>	<b>860</b>	<b>2 684</b>	<b>(248)</b>	<b>(284)</b>	<b>(245)</b>	<b>444</b>	<b>(332)</b>
Depreciation, amortisation and impairment	3 963	4 061	33	34	30	32	129	38	38	362	252	690
<b>EBITDA</b>	<b>(2 420)</b>	<b>(1 566)</b>	<b>231</b>	<b>1 066</b>	<b>624</b>	<b>892</b>	<b>2 813</b>	<b>(210)</b>	<b>(246)</b>	<b>117</b>	<b>696</b>	<b>357</b>
<i>Total adjustment items (EBITDA)</i>	<i>3 080</i>	<i>3 426</i>	<i>-</i>	<i>(291)</i>	<i>-</i>	<i>-</i>	<i>(291)</i>	<i>384</i>	<i>763</i>	<i>505</i>	<i>5</i>	<i>1 657</i>
<b>Adjusted EBITDA</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>622</b>	<b>701</b>	<b>2 015</b>
<b>Operating profit (loss) (EBIT)</b>	<b>(6 383)</b>	<b>(5 628)</b>	<b>197</b>	<b>1 032</b>	<b>594</b>	<b>860</b>	<b>2 684</b>	<b>(248)</b>	<b>(284)</b>	<b>(245)</b>	<b>444</b>	<b>(332)</b>
<i>Total adjustment items (EBIT)</i>	<i>7 010</i>	<i>7 356</i>	<i>-</i>	<i>(291)</i>	<i>-</i>	<i>-</i>	<i>(291)</i>	<i>384</i>	<i>763</i>	<i>505</i>	<i>5</i>	<i>1 657</i>
<b>Adjusted EBIT</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>260</b>	<b>450</b>	<b>1 325</b>
<b>Profit (loss) after taxes</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>	<b>(30)</b>	<b>(1 495)</b>	<b>8 992</b>
<i>Total adjustment items (profit (loss) after taxes)</i>	<i>7 010</i>	<i>7 356</i>	<i>-</i>	<i>(291)</i>	<i>-</i>	<i>-</i>	<i>(291)</i>	<i>384</i>	<i>(10 699)</i>	<i>239</i>	<i>708</i>	<i>(9 369)</i>
<b>Adjusted profit (loss) after taxes</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>303</b>	<b>209</b>	<b>(787)</b>	<b>(377)</b>
<b>Basic earnings per share (USD)</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>(0.00)</b>	<b>(0.02)</b>	<b>0.16</b>
<b>Adjusted basic earnings per share (USD)</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>0.01</b>	<b>0.00</b>	<b>(0.01)</b>	<b>(0.01)</b>

# APMs and Key Figures

USD thousands

Working capital	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Trade receivables	7 886	7 886	7 080	7 663	7 663	8 289	8 289	6 901	20 814	18 848	19 628	19 628
Contract assets	1 402	1 402	2 201	1 800	2 013	2 297	2 297	1 910	12 288	13 518	12 189	12 189
Other current assets	1 631	1 631	2 047	1 442	1 735	1 581	1 581	1 469	6 720	7 048	4 453	4 453
Trade payables	(1 888)	(1 888)	(1 657)	(1 242)	(1 882)	(1 352)	(1 352)	(1 377)	(5 730)	(4 009)	(3 372)	(3 372)
Income tax payable	(74)	(74)	(81)	(76)	(75)	(159)	(159)	(152)	(430)	(297)	(370)	(370)
Contract liabilities	606	606	(603)	(561)	(611)	(438)	(438)	(283)	(574)	(693)	(719)	(719)
Other current liabilities	(2 128)	(2 128)	(2 551)	(1 851)	(1 883)	(2 102)	(2 102)	(2 557)	(6 269)	(8 090)	(6 116)	(6 116)
<b>Net working capital<sup>(3)</sup></b>	<b>7 435</b>	<b>7 435</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>	<b>26 325</b>	<b>25 694</b>	<b>25 694</b>

Operational metrics	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Order backlog at the end of the period (USD million)	8.9	8.9	7.2	6.8	6.4	7.8	7.8	9.0	10.7	12.7	13.8	13.8
Average number of full-time equivalent employees <sup>(1)</sup>	181	164	171	188	185	192	184	182	202	421	423	307
Average billing ratio during the period <sup>(2)</sup>	86%	83%	81%	84%	82%	84%	83%	79%	85%	70%	69%	76%

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 Q3 19 and Q4 19 adjusted for current portion of lease liabilities of USD 1.2 million (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	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Revenue	8 948	31 134	8 159	9 595	8 603	9 828	36 185	8 182	9 869	17 957	18 785	54 792
<b>Total revenue</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>	<b>17 957</b>	<b>18 785</b>	<b>54 792</b>
Payroll and payroll related expenses	(3 864)	(15 324)	(3 821)	(4 052)	(3 766)	(4 043)	(15 682)	(3 849)	(4 119)	(10 767)	(9 801)	(28 536)
Other operating expenses	(4 424)	(13 951)	(4 107)	(4 767)	(4 213)	(4 893)	(17 981)	(4 543)	(5 997)	(7 073)	(8 288)	(25 900)
Depreciation, amortisation and impairment	(3 963)	(4 061)	(33)	(34)	(30)	(32)	(129)	(38)	(38)	(362)	(252)	(690)
Share of net profit (loss) from associates	(161)	(507)	-	291	-	-	291	-	-	-	-	-
Impairment of investment in associates	(2 919)	(2 919)	-	-	-	-	-	-	-	-	-	-
<b>Operating profit (loss) (EBIT)</b>	<b>(6 383)</b>	<b>(5 628)</b>	<b>197</b>	<b>1 032</b>	<b>594</b>	<b>860</b>	<b>2 684</b>	<b>(248)</b>	<b>(284)</b>	<b>(245)</b>	<b>444</b>	<b>(332)</b>
Gain on bargain purchase	-	-	-	-	-	-	-	-	11 067	-	(41)	11 026
Finance income	17	71	25	21	2	118	167	13	403	279	(616)	79
Finance expenses	2	-	(6)	(1)	6	1	-	(14)	(12)	(35)	(563)	(625)
Net foreign exchange gain (loss)	131	(776)	(399)	374	(42)	94	27	(119)	(58)	145	(216)	(248)
<b>Profit (loss) before income tax</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>	<b>144</b>	<b>(992)</b>	<b>9 900</b>
Income tax expenses	3	(144)	(66)	(70)	(62)	(259)	(456)	(118)	(113)	(174)	(503)	(908)
<b>Profit (loss) for the period</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>	<b>(30)</b>	<b>(1 495)</b>	<b>8 992</b>

# Consolidated Statement of Financial Position

USD thousands

Consolidated balance sheet	Q4 17	Q1 18	Q2 18	Q3 18	Q4 18	Q1 19	Q2 19	Q3 19	Q4 19
<b>ASSETS</b>									
Property, plant and equipment	160	153	180	167	141	223	2 936	2 675	2 935
Intangible assets	13 063	13 234	12 908	12 867	12 864	12 921	12 901	12 733	12 973
Deferred tax assets	69	70	67	67	7	7	561	584	447
Trade receivables	7 886	7 080	7 663	7 663	8 289	6 901	20 814	18 848	19 628
Contract assets	1 402	2 201	1 800	2 013	2 297	1 910	12 288	13 518	12 189
Other current assets	1 631	2 047	1 442	1 735	1 581	1 469	6 720	7 048	4 453
Cash and cash equivalents	9 709	9 778	9 839	5 814	5 454	7 224	7 842	10 670	10 930
<b>Total assets</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>66 076</b>	<b>63 557</b>
<b>EQUITY AND LIABILITIES</b>									
Share capital	690	690	690	690	690	690	865	1 018	1 018
Treasury shares	-	-	-	-	-	-	-	-	(41)
Share premium	47 344	47 344	42 670	42 670	42 670	42 670	49 392	55 051	55 051
Share-based compensation reserve	563	564	565	566	567	568	568	572	579
Retained earnings	(7 559)	(7 807)	(6 450)	(5 951)	(5 137)	(5 623)	5 380	5 350	3 855
Foreign currency translation reserve	(12 587)	(11 942)	(12 811)	(12 909)	(13 235)	(13 077)	(13 279)	(13 799)	(13 099)
Deferred tax liabilities	156	163	158	158	314	316	507	462	409
Other non-current liabilities	617	659	673	652	713	743	3 103	3 116	4 023
Trade payables	1 888	1 657	1 242	1 882	1 352	1 377	5 730	4 009	3 372
Income tax payable	74	81	76	75	159	152	430	297	370
Contract liabilities	606	603	561	611	438	283	574	693	719
Dividends payable	-	-	4 674	-	-	-	-	-	-
Other current liabilities	2 128	2 551	1 851	1 883	2 102	2 557	10 792	9 306	7 300
<b>Total equity and liabilities</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>66 076</b>	<b>63 557</b>

# Consolidated Statement of Cash Flow

USD thousands

<b>Consolidated cashflow statement</b>	<b>Q4 17</b>	<b>FY 17</b>	<b>Q1 18</b>	<b>Q2 18</b>	<b>Q3 18</b>	<b>Q4 18</b>	<b>FY 18</b>	<b>Q1 19</b>	<b>Q2 19</b>	<b>Q3 19</b>	<b>Q4 19</b>	<b>FY 19</b>
Profit (loss) before taxes	(6 234)	(6 333)	(182)	1 427	560	1 073	2 878	(368)	11 116	144	(992)	9 900
Non-cash adjustment to reconcile profit before tax to cash flow:												
Non-cash employee benefits expense – share-based payments	1	20	1	1	1	1	4	1	0	4	7	13
Depreciation, amortisation and impairment	3 963	4 061	33	34	30	32	129	38	38	362	252	690
Gain on bargain purchase	-	-	-	-	-	-	-	-	(11 067)	-	41	(11 026)
Loss (Gain) on remeasurement of contingent consideration	-	-	-	-	-	-	-	-	-	-	575	575
Share of net profit (loss) from associates	3 080	3 426	-	-	-	-	-	-	-	-	-	-
Gain on disposal of interest in associates	-	-	-	(291)	-	-	(291)	-	-	-	-	-
Changes in working capital:												
Changes in trade receivables and trade payables	(1 728)	(1 616)	575	(998)	640	(1 156)	(939)	1 413	772	244	(1 418)	1 012
Changes in other assets and other liabilities	1 331	(99)	(753)	279	(446)	(23)	(943)	740	(2 839)	(2 798)	2 474	(2 424)
Interest received	(20)	(61)	(19)	(20)	(2)	(7)	(47)	(9)	(5)	(10)	(22)	(46)
Income taxes paid	(27)	(148)	(61)	(71)	(62)	(100)	(294)	(124)	(190)	(187)	(346)	(847)
Net exchange differences	(412)	487	390	(432)	(36)	(107)	(185)	90	(166)	(331)	(105)	(512)
<b>Cash flow from (used in) operating activities</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>	<b>(2 572)</b>	<b>469</b>	<b>(2 665)</b>
Payments for property, plant and equipment	(3)	(99)	(23)	(63)	(21)	(18)	(124)	(19)	(29)	(104)	(30)	(182)
Interest received	20	61	19	20	2	7	47	9	5	10	22	46
Payment for acquisition of subsidiary, net of cash acquired	-	-	-	-	-	-	-	-	3 000	-	-	3 000
Proceeds from sale of investment in associates	-	-	-	291	-	-	291	-	-	-	-	-
<b>Cash flow from (used in) investing activities</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>	<b>(94)</b>	<b>(8)</b>	<b>2 864</b>
Proceeds from issues of shares	-	-	-	-	-	-	-	-	-	5 812	-	5 812
Principal elements of lease payments	-	-	-	-	-	-	-	(10)	(12)	(233)	(246)	(501)
Dividends paid to company's shareholders	-	-	-	-	(4 674)	-	(4 674)	-	-	-	-	-
Payments for shares bought back	-	-	-	-	-	-	-	-	-	-	(41)	(41)
<b>Cash flow from (used in) financing activities</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>5 579</b>	<b>(287)</b>	<b>5 270</b>
<b>Net change in cash and cash equivalents</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>	<b>2 913</b>	<b>174</b>	<b>5 469</b>
Cash and cash equivalents at the beginning of the period	9 754	9 910	9 709	9 778	9 839	5 814	9 709	5 454	7 224	7 842	10 670	5 454
Effect of movements in exchange rates	(16)	100	89	(116)	(17)	(62)	(107)	10	(5)	(85)	86	7
<b>Cash and cash equivalents at the end of the period</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>	<b>10 670</b>	<b>10 930</b>	<b>10 930</b>

# Revenues and EBIT

## - split per segments

USD thousands

Revenues	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Middle East	3 702	12 505	3 984	5 029	3 855	4 928	17 796	4 164	4 483	5 221	6 087	19 955
Asia Pacific	2 262	7 764	1 595	1 858	1 918	1 987	7 358	1 427	1 987	5 909	5 636	14 958
Europe	1 285	4 590	850	909	614	672	3 045	394	791	3 509	3 548	8 243
Americas	1 090	3 434	1 060	1 173	1 270	890	4 392	1 031	1 460	3 334	4 080	9 906
OWC entities	1 276	4 141	1 145	1 260	1 650	2 040	6 095	1 734	2 732	2 095	2 339	8 900
Eliminations	(667)	(1 301)	(474)	(634)	(705)	(690)	(2 502)	(568)	(1 583)	(2 112)	(2 905)	(7 168)
<b>Revenues</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>	<b>17 957</b>	<b>18 785</b>	<b>54 792</b>

Operating profit (loss) (EBIT)	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Middle East	246	1 097	400	860	263	545	2 068	291	365	67	444	1 168
Asia Pacific	165	603	37	153	188	348	726	(118)	0	292	130	304
Europe	46	(48)	(154)	(31)	(133)	(91)	(409)	(136)	6	(69)	(188)	(387)
Americas	153	101	56	100	220	(14)	362	43	(41)	(144)	38	(104)
OWC entities	91	440	(21)	(110)	135	217	220	147	323	384	164	1 018
Corporate group costs	(75)	(464)	(121)	(230)	(78)	(144)	(574)	(475)	(937)	(774)	(145)	(2 332)
Share of net profit (loss) from associates	(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>(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>	<b>(245)</b>	<b>443</b>	<b>(333)</b>

# Trade receivable & Cash and cash equivalents

## - split per segments

USD thousands

Trade receivables	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Middle East	3 400	3 400	3 413	4 099	3 865	4 824	4 824	4 069	5 450	5 102	5 668	5 668
Asia Pacific	1 897	1 897	1 271	1 456	1 845	1 676	1 676	1 016	5 718	5 705	6 259	6 259
Europe	764	764	666	699	584	452	452	322	4 098	4 505	3 525	3 525
Americas	618	618	934	1 078	870	872	872	937	4 575	3 314	4 016	4 016
OWC entities	1 207	1 207	796	331	499	465	465	557	973	222	359	359
<b>Trade receivables</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>	<b>18 848</b>	<b>19 827</b>	<b>19 827</b>

Cash and cash equivalents	Q4 17	FY 17	Q1 18	Q2 18	Q3 18	Q4 18	FY 18	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Middle East	536	536	546	366	958	747	747	1 168	1 572	1 048	1 576	1 576
Asia Pacific	711	711	981	983	1 091	1 277	1 277	1 726	2 987	3 163	2 819	2 819
Europe	585	585	409	413	323	322	322	155	640	790	1 184	1 184
Americas	421	421	272	291	470	446	446	563	513	879	1 335	1 335
OWC entities	425	425	535	445	1 022	779	779	1 811	773	1 083	784	784
Corporate group	7 031	7 031	7 035	7 341	1 949	1 882	1 882	1 800	1 357	3 707	3 233	3 233
<b>Cash and cash equivalents</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>	<b>10 670</b>	<b>10 930</b>	<b>10 930</b>

# Historical revenues and adjusted EBIT, pro-forma combined

USD millions

<b>Aqualis</b>	<b>3q17</b>	<b>4q17</b>	<b>1q18</b>	<b>2q18</b>	<b>3q18</b>	<b>4q18</b>	<b>1q19</b>	<b>2q19</b>
Revenues	7.3	8.9	8.2	9.6	8.6	9.8	8.2	9.9
Adjusted EBIT	0.2	0.6	0.2	0.7	0.6	0.9	0.1	0.5

<b>BTS</b>	<b>3q17</b>	<b>4q17</b>	<b>1q18</b>	<b>2q18</b>	<b>3q18</b>	<b>4q18</b>	<b>1q19</b>	<b>2q19</b>
Revenues	10.2	9.8	10.2	10.4	9.4	9.8	9.2	9.4
Adjusted EBIT <sup>1</sup>	0.3	0.0	0.1	-0.3	-0.7	-0.2	-0.4	-0.2

<b>Pro-forma combined</b>	<b>3q17</b>	<b>4q17</b>	<b>1q18</b>	<b>2q18</b>	<b>3q18</b>	<b>4q18</b>	<b>1q19</b>	<b>2q19</b>
Revenues	17.5	18.7	18.3	20.0	18.0	19.6	17.4	19.2
Adjusted EBIT	0.6	0.6	0.2	0.4	-0.1	0.6	-0.2	0.3

(1) EBIT figures for BTS for Q3 17 and Q4 17 are not adjusted

# Top 20 shareholders

#	Name of shareholder	No. of shares	% ownership
1	BRAEMAR SHIPPING SERVICES PLC	19 240 621	27.3%
2	GROSS MANAGEMENT AS	10 024 777	14.2%
3	BJØRN STRAY	3 000 000	4.3%
4	HOLMEN SPESIALFOND	2 615 834	3.7%
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	1 496 779	2.1%
9	LEOVILLE AS	1 150 000	1.6%
10	TIGERSTADEN AS	1 029 318	1.5%
11	BADREDDIN DIAB	1 001 302	1.4%
12	ACME CAPITAL AS	1 000 000	1.4%
13	DNB MARKETS AKSJEHANDEL/-ANALYSE	971 293	1.4%
14	BANQUE PICTET & CIE SA	951 998	1.4%
15	PHILIP ALAN LENOX	830 583	1.2%
16	TIGERSTADEN INVEST AS	815 000	1.2%
17	MAGNE GISLERØD	800 000	1.1%
18	GINKO AS	770 000	1.1%
19	ADVANCED CONTROL AS	667 511	0.9%
20	KULA INVEST AS	653 971	0.9%
<b>Top 20 shareholders</b>		<b>52 017 038</b>	<b>73.9%</b>
Other shareholders		18 399 397	26.1%
<b>Total outstanding shares</b>		<b>70 416 435</b>	<b>100.0%</b>

