

Oceanic Champion AS

Interim Accounts - H1 2018 - ended 30 June 2018

| Profit & loss | Note | 1H 2018 | 1H 2017 | 2017 |
|-----------------------------------|-------------|------------------|------------------|-------------------|
| | | USD | USD | USD |
| Income | | | | |
| Bareboat hire | | 5 382 068 | 6 165 404 | 11 622 780 |
| Net Income | | 5 382 068 | 6 165 404 | 11 622 780 |
| Operation cost | | | | |
| Operation cost | | 80 104 | 67 233 | 148 288 |
| Depreciation | 1 | 3 917 286 | 3 917 286 | 7 834 572 |
| Impairment | | 0 | | 6 000 000 |
| Total operation cost | | 3 997 390 | 3 984 519 | 13 982 860 |
| Operating result | | 1 384 678 | 2 180 884 | -2 360 080 |
| Financial income and cost | | | | |
| Financial income | | 12 803 | 3 015 | 22 661 |
| Other financial cost | | 161 539 | 231 226 | 386 723 |
| Interest cost bond loan | | 806 227 | 1 284 703 | 2 247 761 |
| Financial items in total | | 954 963 | 1 512 914 | 2 611 823 |
| Result (loss) before taxes | | 429 715 | 667 970 | -4 971 903 |

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| Balance Sheet | Note | 30.06.2018 USD | 30.06.2017 USD | 31.12.2017 USD |
|--------------------------------------|-------------|---------------------------|---------------------------|---------------------------|
| Non-current Assets | | | | |
| Vessels | 1 | 40 897 993 | 54 732 565 | 44 815 279 |
| Other financial assets | 2 | 577 696 | 900 148 | 738 922 |
| Non-current Assets | | 41 475 689 | 55 632 713 | 45 554 201 |
| Current assets | | | | |
| Other current assets | | 757 386 | 783 209 | 781 362 |
| Bank | | 3 339 990 | 2 496 350 | 3 417 788 |
| Current assets in total | | 4 097 376 | 3 279 559 | 4 199 151 |
| Total Assets | | 45 573 065 | 58 912 271 | 49 753 351 |
| Equity and Liabilities | | | | |
| Equity | | | | |
| Share capital | 4 | 42 905 259 | 42 905 259 | 42 905 259 |
| Other equity | | -20 560 422 | -15 348 687 | -20 990 136 |
| Total Equity | | 22 344 837 | 27 556 572 | 21 915 123 |
| Non-current Liabilities | | | | |
| Bond loan | 3 | 19 517 029 | 25 607 460 | 23 131 759 |
| Other long term liabilities | | 3 142 581 | 4 856 716 | 3 999 649 |
| Total Non-current Liabilities | | 22 659 610 | 30 464 176 | 27 131 408 |
| Current Liabilities | | | | |
| Payables | | 31 340 | 65 554 | 26 688 |
| Other Short term liabilities | | - | - | 1 601 |
| Accrued interest expenses | | 537 277 | 825 969 | 678 532 |
| Total Current Liabilities | | 568 617 | 891 523 | 706 821 |
| Total Equity and Liabilities | | 45 573 065 | 58 912 271 | 49 753 351 |

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Notes

The company was incorporated in February 2013 and acquired the vessel "Oceanic Champion" in April 2013 in connection with a group-refinancing. "Oceanic Champion" is employed on a long term bareboat contract with the seismic operator CGG until 06/2020.

Due to adverse market conditions in the seismic sector, the company agreed in March 2017 to amend the bareboat contract by reducing charterhire payments for the remaining term. The reduced charterhire was partly compensated by the issuing of CGG notes in favour of the company. The notes were issued in March 2017 and sold in the market at prevailing market price for CGG assets.

1) Vessel

M/V "Ocean Champion" was acquired by Oceanic Champion AS at MUSD 108,6. The vessel is depreciated based upon a lifetime of 25 years. The contract element of the vessel value is depreciated over the remaining contract period.

2) Other financial assets with CGG

Other financial assets are financial transaction cost which is depreciated over the bond loan term; i.e. 7 years

3) Bond loan

To finance the acquisition of the vessel in 2013 the company secured a fixed interest USD bond loan in the amount of MUSD 70 repayable over seven years. The original repayment plan secured the loan to be repaid before the CGG contract expired. The repayment plan was amended in March 2017 as a consequence of the amended bareboat contract with CGG. Going forward the loan will be repaid in line with the company's earnings. In connection with the sale of the CGG notes an extraordinary repayment of the loan was made with about MUSD 5. Upon expiry of the contract the estimated loan balance is about MUSD 0,6.

4) Share Capital

All shares are held by the Norfield Group