ADMISSION DOCUMENT

OHT ASA

(A public limited liability company incorporated under the laws of Norway)

Admission to trading of shares on Merkur Market

This admission document (the "**Admission Document**") has been prepared by OHT ASA (the "**Company**" and, together with its wholly-owned subsidiaries, the "**Group**" or "**OHT**") solely for use in connection with the admission to trading (the "**Admission**") of all issued shares of the Company on Merkur Market.

As of the date of this Admission Document, the Company's registered share capital is NOK 9,376,133.40, divided into 93,761,334 shares, each with a par value of NOK 0.10 , but will after completion of the Private Placement (as defined below) be NOK 12,084,803.40 divided into 120,848,034 shares, each with a par value of NOK 0.10 (the "**Shares**").

The Shares have been approved for admission to trading on the Merkur Market and it is expected that the Shares will start trading on or about 28 September 2020 under the ticker code "OHT-ME". The Shares are, and will continue to be, registered in the Norwegian Central Securities Registry (the "VPS") in book-entry form. All of the issued Shares rank pari passu with one another and each Share carries one vote.

Merkur Market is a multilateral trading facility operated by Oslo Børs ASA. Merkur Market is subject to the rules in the Norwegian Securities Trading Act of 29 June 2007 no 75 (as amended) (the "**Norwegian Securities Trading Act**") and the Norwegian Securities Trading Regulations of 29 June 2007 no 876 (as amended) (the "**Norwegian Securities Trading Regulation**") that apply to such marketplaces. These rules apply to companies admitted to trading on Merkur Market, as do the marketplace's own rules, which are less comprehensive than the rules and regulations that apply to companies listed on Oslo Børs and Oslo Axess. Merkur Market is not a regulated market. Investors should take this into account when making investment decisions.

THIS ADMISSION DOCUMENT SERVES AS AN ADMISSION DOCUMENT ONLY, AS REQUIRED BY THE MERKUR MARKET ADMISSION RULES. THIS ADMISSION DOCUMENT DOES NOT CONSTITUTE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT HERETO.

Investing in the Company involves a high degree of risk. Prospective investors should read the entire document and, in particular, Section 1 ("Risk Factors") and Section 3.3 ("Cautionary note regarding forward-looking statements") when considering an investment in the Company and its Shares.

Merkur Advisors

DNB Markets

Clarksons Platou Securites AS

Fearnley Securities AS

Skandinaviska Enskilda Banken AB (publ.)

Pareto Securities AS

The date of this Admission Document is 23 September 2020

IMPORTANT INFORMATION

This Admission Document has been prepared solely by the Company in connection with the Admission. The purpose of the Admission Document is to provide information about the Company and its business. This Admission Document has been prepared solely in the English language.

For definitions of terms used throughout this Admission Document, please refer to Section 14 ("Definitions and glossary of terms").

The Company has engaged Clarksons Platou Securities AS, DNB Markets, a part of DNB Bank ASA, Fearnley Securities AS, Skandinaviska Enskila Banken AB (publ.) and Pareto Securities AS as its advisors in connection with its Admission to Merkur Market (the "**Merkur Advisors**"). This Admission Document has been prepared to comply with the Admission to Trading Rules for Merkur Market (the "**Merkur Market Admission Rules**") and the Content Requirements for Admission Documents for Merkur Market (the "**Merkur Market Content Requirements**"). Oslo Børs ASA has not approved or reviewed this Admission Document or verified its content.

The Admission Document does not constitute a prospectus under the Norwegian Securities Trading Act and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and has not been reviewed or approved by any governmental authority.

All inquiries relating to this Admission Document should be directed to the Company or the Merkur Advisors. No other person has been authorized to give any information, or make any representation, on behalf of the Company and/or the Merkur Advisors in connection with the Admission, if given or made, such other information or representation must not be relied upon as having been authorized by the Company and/or the Merkur Advisors.

The information contained herein is current as of the date hereof and subject to change, completion or amendment without notice. There may have been changes affecting the Company subsequent to the date of this Admission Document. Any new material information and any material inaccuracy that might have an effect on the assessment of the Shares arising after the publication of this Admission Document and before the Admission will be published and announced promptly in accordance with the Merkur Market regulations. Neither the delivery of this Admission Document nor the completion of the Admission at any time after the date hereof will, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the information set forth in this Admission Document is correct as of any time since its date.

The contents of this Admission Document shall not be construed as legal, business or tax advice. Each reader of this Admission Document should consult with its own legal, business or tax advisor as to legal, business or tax advice. If you are in any doubt about the contents of this Admission Document, you should consult with your stockbroker, bank manager, lawyer, accountant or other professional advisor.

The distribution of this Admission Document in certain jurisdictions may be restricted by law. Persons in possession of this Admission Document are required to inform themselves about, and to observe, any such restrictions. No action has been taken or will be taken in any jurisdiction by the Company that would permit the possession or distribution of this Admission Document in any country or jurisdiction where specific action for that purpose is required.

The Shares may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

This Admission Document shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court (Nw.: *Oslo tingrett*) as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Admission Document.

Investing in the Company's Shares involves risks. Please refer to Section 1 ("Risk factors").

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II (the "**Positive Target Market**"); and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Appropriate Channels for Distribution**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile (the "Negative Target Market", and, together with the Positive Target Market, the "Target Market Assessment").

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Shares will be governed by Norwegian law and the Company's articles of association (the "Articles of Association"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions.

The members of the Company's board of directors (the "Board Members" and the "Board of Directors", respectively) and the members of the Group's senior management (the "Management") are not residents of the United States of America (the "United States"), and a substantial portion of the Company's assets are located outside the United States. As a result, it may be very difficult for investors in the United States to effect service of process on the Company, the Board Members and members of Management in the United States or to enforce judgments obtained in U.S. courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United Stated (including any State or territory within the United States).

The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its Board Members or members of Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its Board Members or members of Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway. The United States does not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters with Norway.

Similar restrictions may apply in other jurisdictions.

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1 RISK FACTORS

Investing in the Shares involves inherent risks. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Admission Document, including the Financial Information and related notes. The risks and uncertainties described in this Section 1 ("Risk factors") are the principal known risks and uncertainties faced by the Group as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The absence of a negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision.

If any of the risks were to materialize, individually or together with other circumstances, it could have a material and adverse effect on the Group and/or its business, financial condition, results of operations, cash flow and/or prospects, which may cause a decline in the value of the Shares that could result in a loss of all or part of any investment in the Shares. The risks and uncertainties described below are not the only risks the Group may face. Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on the Group's business, financial condition, results of operations and cash flow. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance.

The risk factors described in this Section 1 ("Risk factors") are sorted into a limited number categories, where the Company has sought to place each individual risk factor in the most appropriate category based on the nature of the risk it represents. The risks that are assumed to be of the greatest significance are described first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, and the fact that a risk factor is not mentioned first in its category does not in any way suggest that the risk factor is less important when taking an informed investment decision. The risks mentioned herein could materialise individually or cumulatively.

The information in this Section 1 ("Risk factors") is as of the date of this Admission Document.

1.1 Risk related to the business and industry in which the Group operates

The industry in which the Group operates is highly competitive

The future success of the Group depends on its ability to enter into contracts with customers in need of Heavy Transportation Vessels ("HTV") or customers developing offshore wind farms ("Customers").

The Group's HTV assets are provided in an open market characterized by a large number of potential clients and relatively few competing suppliers. The demand for the Group's HTVs may be volatile and is subject to variations for a number of reasons, including factors such as changes in oil prices, changes in economic activities or political regimes, changes in offshore windfarm markets, changes in drilling activity by oil companies, or regulatory changes, and other factors.

The number of HTVs supplying the market and the number of companies supplying such vessels have remained quite steady the last number of years, however, there is a risk that future additional HTVs could create an oversupply in the market which may have a negative impact on future rates.

Competitors in the HTV market may be better positioned to develop superior product features and technological innovations and be able to better adapt to market trends than the Group. In addition, in certain markets where the Group does not have a strong local presence, local or regional competitors may be able to take advantage of local content or similar governmental requirements that may make it difficult for the Group to compete effectively or to access these markets at all. Failure to compete effectively could adversely affect the Group's HTV business, financial condition, results of operations and prospects.

Should a situation occur where demand is reduced or there is an oversupply which makes the operation of the Group's HTV assets unprofitable, there are limited prospects to employ the Group's assets in other businesses and this may have a material adverse effect on the Group's business, financial condition and operating results. The Group may also be unable to sell or otherwise dispose of its assets at prices the Group believes are the correct price for such assets. This may affect the liquidity of the Group and the strength of the Group's financial position in general.

The offshore wind installation and maintenance industry, in which the Group will operate upon delivery of the vessels which are ordered, is highly competitive, and contracts are generally awarded based on competitive tender processes. Price is typically a key factor in determining a contract award. Existing providers of offshore wind installation and maintenance services, or those formed through industry consolidation, may be able to offer lower prices than the Group.

An inability to successfully compete within the industries could have material adverse effect on the Group's business, financial condition, and results of operations.

The industry in which the Group operates is cyclical in nature, due largely to changes in energy prices and sanctioning of offshore wind farm development projects

The Group's revenues, cash flow and profitability will depend substantially on the demand for transportation of heavy cargo and offshore wind installation and maintenance services.

The offshore service industry and the offshore wind installation and maintenance industry are highly volatile and cyclical, with periods of high demand for transportation and installation vessels, shortage of supply with high utilization and high day rates followed by periods of low demand, excess supply, thus creating low utilization and low day rates. These market fluctuations are the result of factors beyond the Company's control, mainly due to changes in customer expenditures ("**Investments**") as a consequence of the level of and volatility in oil and energy prices and sanctioning activity by government regulation agencies.

Installation activities in the offshore wind industry have increased significantly in recent years and led to increased demand for offshore wind installation and maintenance services globally. While the offshore wind installation and maintenance demand outlook appears positive, there can be no certainty that demand for offshore wind installation and maintenance vessels will increase in line with expectations, or at all.

The industry in which the Group operates may be adversely affected by delay in offshore wind farm development activity and/or oversupply of available installation vessels

Periods of low demand and excess supply intensify competition in the industry and may result in the Group's installation vessels being idle and "stacked", or earning substantially lower day rates than the historical average for extended periods of time.

As of today the known order book for new foundation installation vessels similar to that of the Group comprise of three vessels. Correspondingly, the known order book for new turbine installation vessels similar to that of the Group comprise of four vessels. The majority of these newbuildings on order have not yet been awarded firm contracts, which implies a risk for oversupply when these newbuildings enter the market. This could in turn lead to a reduction in the expected utilization and day rates. Further, a lack of visibility with respect to planned orders for new offshore wind installation and maintenance vessels in the future, makes it difficult to predict how many more units may enter the market. A surplus of planned newbuildings would exacerbate the risk of excess supply of offshore wind installation and maintenance vessels. Customers may also delay the award of new contracts or extensions of existing contracts pending sanctioning of new wind farm development projects.

The industry in which the Group operates may be influenced by and be subject to exposures from a number of industry-specific risk factors

In addition to the risks of a supply/demand cyclicality and competition, the Group will be subject to all the risks common in the heavy transportation industry and the offshore wind installation and maintenance industry, including regulations introduced by the authorities where the operations take place, the applicable legislation of various flag states as well as the guidelines introduced by international agencies such as the International Maritime Organization ("**IMO**"), new technological solutions for ships providing improved energy efficiency and lower environmental footprints, the economics of the oil and gas industry and the offshore wind electricity generation, regulatory restrictions on and sanctioning of offshore wind field development projects, and demand for and economics of alternative energy sources, including other renewable energy sources than wind, all of which are beyond the Group's control. Any of these factors could reduce demand for the Group's services and adversely affect its business, financial condition, and results of operations.

Many of the Group's customers include oil companies and energy companies which impose particularly high standards of health, safety and environmental protection. If the Group is unable to comply with such regulations or a customer's own standards, this may adversely affect the Group's ability to be awarded contracts.

Increases in break-even levels for offshore wind farm project developments could have a material adverse effect on the Group's business, financial condition, and results of operations

The break-even cost for developing wind farm projects offshore has been substantially reduced over the last decade as a result of supply chain deflation, efficiency, standardization, increased competition and design improvements enabling the wind turbines to become larger and larger. Consequently, offshore wind farm projects are gaining competitiveness compared to other energy sources. Despite the current trend in the break-even prices for offshore wind developments, market conditions may change due to factors such as supply chain inflation, increased project complexity or otherwise, and break-even levels may increase. An increase in break-even prices relative to other competing energy sources could reduce the number of offshore wind development projects and consequently reduce the demand for offshore wind installation services as customers' Investments are reduced or directed elsewhere, leading to an oversupply of transportation and installation vessels and intensified competition in the industry. This could have a material adverse effect on the Group's business, financial condition, and results of operations.

The Group's business involves numerous operating hazards. If a significant accident or other event occurs, and is not fully covered by the Group's insurance policies or any enforceable or recoverable indemnity, it could have a material adverse effect on the Group's business, financial condition, and results of operations

The Group's operations are subject to hazards inherent in heavy transportation and offshore wind installation and maintenance activities, such as vessel ballasting or jacking operations and crane lifting operations. The Group's operations are also subject to hazards inherent in marine operations, such as capsizing, grounding, navigation errors, collision, oil and hazardous substance spills, extensive uncontrolled fires in the engine rooms or living quarter, damage from severe weather conditions, and marine life infestations. Such hazards could expose the Group to the risk of suspension or termination of operations, regulatory penalties or sanctions, property, environmental and other damage claims by customers or other third parties, which may in turn have a material adverse effect on the Group's business, financial condition, results of operations, and reputation.

The Group's insurance policies, which will consist of customary coverage related to the vessels and to the operation which the Group will conduct, may not adequately cover losses, and the Group does not have insurance coverage or rights to an indemnity for all risks. In addition, the Group's insurance coverage will not provide sufficient funds in all situations to protect the Group from all liabilities that could result from its operations, including because the amount of the Group's insurance cover may be less than the related impact on enterprise value after a loss, and the Group's coverage also includes policy limits. As a result, the Group retains the risk through paying directly for any losses in excess of these limits. The Group may also decide to retain substantially more risk through reduction of its insurance policies, and thus paying directly for potential losses in the future.

The Group may not be able to keep pace with a significant step-change in technological development

The market for the Group's services is affected by significant technological developments that have resulted in, and will likely continue to result in, substantial improvements in wind foundation and turbine size, equipment functions and performance. As a result, the Group's future success and profitability will be dependent in part upon its ability to:

- improve existing services, installation vessels and rental equipment to meet customers' future demand;
- address the increasingly sophisticated needs of its customers;
- anticipate major changes in technology and industry standards and respond to technological developments on a timely basis.

If the Group is not successful in acquiring new equipment or upgrading its existing installation and maintenance vessels, or the technical skill set of its employees on a timely and cost-effective basis in response to technological developments or changes in industry standards, or if a significant step-change in technology provides an alternative method for installing wind mills offshore, this could have a material adverse effect on the Group's business, financial condition, and results of operations.

The Group's Newbuildings or any additional newbuilding could be subject to risks which could cause delays or cost overruns and have a material adverse effect on the Group's business, financial condition, and results of operations

The Group's Newbuildings, which are under construction or on order at the China Merchants Industry Holdings Co., Ltd. ("China Merchants") shipyard in Haimen, Jiangsu, China, may be subject to risks of delay, quality issues, damage to personnel, equipment and environment, or cost overruns inherent in any large construction project due to numerous factors, which are outside the Group's control.

Significant cost overruns or delays in projects under construction could materially affect the Group's results of operations, cash flow and financial condition. Additionally, failure to complete a project on time or failure to meet technical or operational requirements imposed by relevant regulations or regulatory authorities could result in the delay or loss of revenue from that vessel/contract and potential penalties from the customer or cancellation by the customer. Should the Group fail to meet the delivery requirements in order to commence the contract, it could be liable for liquidated damages and other contractual remedies, or the customer may cancel the contract. New offshore wind installation and maintenance vessels may experience start-up difficulties following delivery or other unexpected operational issues that could result in uncompensated downtime or the cancellation or termination of offshore wind installation and maintenance contracts, which could also materially adversely affect the Group's business, financial condition, and results of operations.

The Group may not be awarded transportation, installation and/or maintenance contracts, or experience reduced profitability or not fully realize its potential backlog of revenue if its customers terminate, seek to renegotiate or fail to exercise an option to extend its contracts, or if it fails to secure new contracts

The Group's success will depend on its ability to succeed in tender of contracts. When the Group tenders for new transportation, installation and/or maintenance contracts, it is generally difficult to predict whether it will be awarded contracts on favorable terms or at all. The tenders are affected by a number of factors beyond the Group's control, such as market conditions, competition (including the intensity of the competition in a particular market), financing arrangements and government approvals required by customers. If the Group is unable to secure new contracts on a timely basis and on substantially similar or better terms, if contracts are disputed or suspended for a period of time, or if a number of its contracts are renegotiated, such events would adversely affect the Group's business, financial condition, and results of operations.

The Group's business, financial condition and results of operations may be adversely affected if it does not make accurate assumptions and estimates when tendering for new contracts with customers

The Group must make certain assumptions and estimates when it tenders for new contracts with customers, as well as identify key issues and risks (including, but not limited to, the degree of complexity of the project assumptions regarding transportation and installation vessel efficiency or utilization of equipment, health, safety, environment and quality ("HSEQ") performance requirements, operational expenses, mobilization costs, tax payments, availability of skilled personnel and availability of critical equipment with long lead times). Assumptions are particularly necessary when tendering for a new client or entering new product or geographic markets. Even when a risk is properly identified, the Group may be unable to or may not accurately quantify it. Unforeseen or unanticipated risks and incorrect assumptions when bidding for a contract may lead to increased costs and/or loss of revenue for the Group and could adversely affect its business, financial condition, and results of operations.

The market value of assets owned by the Group and the wind installation vessels on order (the "Newbuildings") and any additional transportation and installation vessels the Group may order or acquire in the future, may decrease. This could cause the Group to incur losses due to impairment of book values or if it decides to sell assets

The Group owns five HTVs and will construct and invest in offshore wind foundation installation vessels and offshore wind turbine installation and maintenance vessels. The fair market value of the vessels and equipment owned and on order by the Group and/or those the Group may acquire in the future, may increase or decrease depending on a number of factors, some of which are outside the Group's control. This includes inter alia supply and demand for HTVs and offshore wind installation and maintenance vessels and equipment, operational costs levels and future expectations of contract day rates.

The service life of the HTVs operated by the Group will ultimately depend on their efficiency. There can be no assurance of how long the vessels will be in operation. There will always be exposure to technical risks, with unforeseen operational problems leading to unexpectedly high operating cost and/or lost earnings, which may have a material adverse effect on the Group's business, financial condition and operating results. The Group's HTVs will also be exposed to the risk of the Group's clients wanting to use newer vessels for their transportation needs. Inherent technical risk also lies in the possibility of new regulations from IMO, various authorities, governments or institutions.

Loss of key personnel or the failure to obtain or retain highly skilled personnel could have a material ***adverse effect on the Group's operations***

The Group's success depends on its retention of key personnel and its ability to recruit, retain and develop skilled personnel for its business, but there may be shortages in the availability of appropriately skilled people at all levels. Shortages of qualified personnel or the Group's inability to obtain and retain qualified personnel could have a material adverse effect on the Group's business, financial condition, and results of operations.

The Group may face risks of operating cost disadvantage relative to its competitors due to size

If the Company does not acquire additional offshore wind installation and maintenance vessels in the future, the Company will have a limited asset base of one wind foundation installation vessel and one wind turbine installation vessel, and any failure to secure employment at satisfactory rates for such vessels will affect its results more significantly than for a company with a larger fleet and may have a material adverse effect on the earnings, and the value of the Group.

1.2 Legal and regulatory risk

The Group is subject to complex laws and regulations in various jurisdictions that can adversely affect the cost, manner or feasibility of conducting its business

The Group is subject to numerous laws and regulations in the jurisdictions in which it operates, covering a variety of areas, including:

- regulations related to offshore wind farm development projects;
- regulations related to marine operations;
- flag state requirements;
- requirements of the IMO;
- the equipment requirements for, and operation of, offshore wind installation & maintenance vessels;
- customs duties on the importation of installation vessels and associated equipment;
- protection of the environment;
- taxation of offshore earnings and the earnings of expatriate personnel;
- repatriation of foreign earnings;
- HSEQ performance requirements;
- the employment and compensation of local employees; and
- the use of local suppliers, contractors, representatives and/or agents by the Group.

In addition, some foreign governments favor or require: (i) the awarding of offshore wind installation and maintenance contracts to contractors wholly or partially owned by their own citizens; (ii) the partial or complete ownership of offshore wind installation & maintenance vessels and/or equipment by their own citizens; (iii) the local registration of companies or branches; (iv) the use of a local representative/agent; (v) the purchase of goods or services from local suppliers; and/or (vi) the employment of their own citizens. These practices, known as "local content requirements", may, to the extent that there is a limited supply of local suppliers, partners and contractors qualified for the Group's services, materially adversely affect the Group's ability to compete or to operate in those regions as well as the Group's costs and ultimately its business, financial condition, and results of operations. Further, it is difficult to predict what laws or regulations may be enacted in the future or how the local authorities' implementation, interpretation, or enforcement of such regulations could adversely affect the global offshore wind installation & maintenance industry and the Group's business.

Applicable laws and regulations can significantly affect the ownership and operation of the Group's vessels, and failure to comply may subject the Group to exclusion from the relevant market, loss of future and existing contracts, and criminal sanctions or administrative or civil remedies, including fines, denial of export privileges, injunctions, or seizures of assets. While the Group maintains policies designed to comply with various foreign laws and regulations, it may not be possible for the Group to detect or prevent every violation in every jurisdiction in which its employees, agents, subcontractors or joint venture partners are located. Should such a violation occur, the Group or its directors, officers, and employees may therefore be subject to civil and criminal penalties and to reputational damage.

The Group may be subject to liability under multifaceted environmental laws and regulations and ***contractual environmental liability, which could have a material adverse effect on the Group's business,*** *financial condition, and results of operations*

The Group's operations are and will be subject to a variety of laws, regulations, and requirements in multiple jurisdictions controlling the discharge of various materials into the environment (including petroleum products and other substances that may be present at, or released or emitted from, the Group's operations), requiring removal and clean-up of materials that may harm the environment, controlling carbon dioxide emissions, or otherwise relating to the protection of the environment. Such laws, regulations and requirements vary from jurisdiction to jurisdiction. The application of these requirements or the adoption of new requirements could have a material adverse effect on the Group's business, financial condition, and results of operations.

The complexity and continued development of local and international tax rules and interpretation thereof may expose the Group to financial and reputational risks

The Group operates in multiple jurisdictions, which entails an inherent tax risk, with respect to corporate taxes, value added taxes and excise duties, as well as withholding taxes and taxes regarding specific installation vessel taxation, and allocation between jurisdictions hereof.

As a result of this, the Group could experience adverse effects on its business, financial condition, and results of operations, and could lead to reputational damage.

The Group's potential international activities increase th*e compliance risk associated with applicable anti-corruption laws*

The Group operates in several different countries, including in some where the risks associated with fraud, bribery, and corruption are significant, and may operate in additional countries in the future. The Group may be subject to the requirements of the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and similar anti-corruption laws in other jurisdictions. The Group is committed to doing business in accordance with applicable anti-corruption laws and has adopted policies and procedures which are designed to promote legal and regulatory compliance therewith. However, the Group's employees, agents and/or partners acting on its behalf may take actions determined to be in violation of such applicable laws and regulations. Any such violation could result in substantial fines, sanctions, deferred settlement agreements, civil and/or criminal penalties, or curtailment or prohibition of operations in certain jurisdictions, which might materially adversely affect the Group's business, financial condition, and results of operations. In addition, actual or alleged violations could damage the Group's reputation and ability to do business. Furthermore, detecting, investigating and resolving actual or alleged violations are expensive and can consume significant time and attention of senior management.

The Group's potential international activities increase the compliance risks associated with economic *and trade sanctions imposed by the United States, the European Union and other jurisdictions*

The Group will be committed to doing business in accordance with applicable sanctions and export control laws and regulations and has adopted policies and procedures which are designed to promote legal and regulatory compliance therewith. However, if the Group fails to comply with applicable sanctions through its foreign trade controls compliance programs, it could be subject to substantial fines, sanctions, deferred settlement agreements, civil and/or criminal penalties, or curtailment of operations in certain jurisdictions, which could materially adversely affect the

Group's business, financial condition, and results of operations. Similarly, the Group's reliance on third-party subcontractors to perform some parts of its projects creates additional compliance risk, as such third-parties' non-compliance may expose the Group to additional sanctions or penalties.

The Group's operations are subject to the risks of litigation and other legal and regulatory proceedings

At any given time, the Group could get involved in litigation and other legal and regulatory proceedings, including with tax authorities, arising in the ordinary course of business or otherwise. Such proceedings may include claims related to commercial, labor, employment, securities, tax, HSEQ, or other matters and may result in significant damages and/or fines. The process of managing such proceedings, even if the Group is successful, may be costly, and may approximate the cost of damages sought.

Actions against the Group could also expose it to adverse publicity, which might adversely affect its brand and reputation. The course and expenses of such proceedings, and the outcome of any given matter, cannot be predicted with certainty and adverse trends, expenses, and outcomes could adversely affect the Group's business, financial condition, and results of operations.

Potential technology disputes involving the Group or the Group's suppliers or sub*-suppliers could impact* ***the Group's operations***

The services provided by the Group may utilize patented or otherwise proprietary technology, and consequently involve a potential risk of infringement of third-party rights. It is not uncommon for industry participants to pursue legal action to protect their intellectual property and entities in the Group have been involved in such legal actions in the past. The Group is not aware of any patents that create a material risk of the Group infringing third-party rights in the future. However, there can be no assurance that other industry participants will not pursue legal action against the Group to protect intellectual property that the Group may at least allegedly utilize. Such legal action could result in limitations on the Group's ability to use the patented technology or require the Group to pay a fee for the continued use of intellectual property.

The majority of the intellectual property rights relating to the Group are owned by the Group's suppliers or sub-suppliers and relate to the equipment installed on the offshore wind installation and maintenance vessels. In the event that the Group or one of its suppliers or sub-suppliers becomes involved in a dispute over infringement of intellectual property rights relating to assets provided by suppliers or sub-suppliers to or otherwise used by the Group, the Group may lose access to repair services, replacement parts, or could be required to cease use of the relevant assets or intellectual property. The Group could also be required to pay royalties for the use of such assets or intellectual property. The consequences of technology disputes involving the Group or its suppliers could materially adversely affect the Group's business, financial condition, and results of operations.

In addition, the Group may choose to pursue legal action to protect its future intellectual property, if any. If the Group is unable to protect and maintain intellectual property rights it may possess, or if there are any successful intellectual property challenges proceedings against the Group, its ability to differentiate its future service offerings could diminish. From time to time, the Group may pursue action to challenge patents of competitors, suppliers and others. Should these cases not succeed, the Group may be subject to legal costs and may not be able to use the patented technology or may have to pay a fee for the continued use of such patents. The consequences of any of the intellectual property disputes with third parties described above could materially adversely affect the Group's business, financial condition, and results of operations.

*Regulation of greenhouse gases and climate c****hange could have a negative impact on the Group's*** *business, financial condition, and results of operations*

Governments around the world are increasingly focused on enacting laws and regulations regarding climate change and regulation of greenhouse gases. Lawmakers and regulators in the jurisdictions where the Group operates have proposed or enacted regulations requiring reporting of greenhouse gas emissions and the restriction thereof. In addition, efforts have been made and continue to be made in the international community toward the adoption of international treaties or protocols that would address global climate change issues and impose reductions of hydrocarbon-based fuels. Laws or regulations incentivizing or mandating the use of alternative energy sources such as wind power and solar energy have also been enacted in certain jurisdictions. Numerous large cities globally and a few countries have mandated conversion from internal combustion engine-powered vehicles to electric-powered vehicles and placed restrictions on non-public transportation.

These measures could have a material impact on the Group's business operations. Laws, regulations, treaties, and international agreements related to greenhouse gases and climate change may result in increased compliance costs and vessel operating restrictions, and could have an adverse impact on the Group's business, financial condition, and results of operations.

1.3 Risk related to the Group's financial situation

The Group operates in a capital-intensive industry and its future sources of financing are not necessarily secured

The Group operates in a capital-intensive industry and thus may have substantial capital needs in order to be able to cover its obligations in connection with the Newbuildings.

The Group's management expects to finance its capital expenditures through a combination of raising new equity and debt financing. Additional funding may prove to be required in the event the Group experiences cost overruns for the completion of the Newbuildings.

Any inability to secure necessary financing in a timely manner, or at all, could have a material adverse effect on the Group's business, financial condition, and results of operations.

The Group's financial position is affected by fluctu*ations in foreign exchange rates*

The Group's income is expected to be primarily denominated in U.S. dollars, while the related expenses are expected to be incurred in a wide range of currencies, including U.S. dollars, Euros, pounds sterling or other relevant currencies. In order to manage foreign exchange rate exposure related to the vessel construction contract with the Yard and the prospective loan arrangements with commercial banks and/or other financial institutions, the Group will consider implementing hedging strategy, however there can be no assurance that the Group will be successful in its hedging strategy, or that hedging will be available on attractive terms, or at all.

Interest rate fluctuations could affect the Group's earnings and cash flow

If the Group is unable to effectively manage its interest rate exposure after entering into a finance arrangement with commercial banks and/or other financial institutions, any increase in market interest rates could increase the Group's interest rate exposure, debt service obligations, earnings and cash flow. Such changes in interest rates could also have a material adverse effect on the Group's business, financial condition, and results of operations.

1.4 Risks relating to the Shares and the Admission

An active trading market for the Company's shares on Merkur Market may not develop and the market price of the Shares may be volatile

The Company's Shares are not currently tradable on any stock exchange, other regulated marketplace or multilateral trading facility. No assurances can be given that an active trading market for the Shares will develop on Merkur Market, nor sustain if an active trading market is developed. The market value of the Shares could be substantially affected by the extent to which a secondary market develops for the Shares following completion of the Listing.

An investment in the Shares involves risk of loss of capital, and securities markets in general have been volatile in the past. The trading volume and price of the Shares may fluctuate significantly in response to a number of factors beyond the Company's control, including adverse business developments and prospects, variations in revenue and operating results, changes in financial estimates, announcements by the Company or its competitors of new development or new circumstances within the industry, legal actions against the Group, unforeseen events and liabilities, changes in management, changes to the regulatory environment in which the Group will operate or general market conditions. The market value of the Shares could also be substantially affected by the extent to which a secondary market develops or sustains for the Shares.

The Group has not yet commenced its wind installation operations, which makes it difficult to evalaute and forecast the Group's future results of operations

Prospective investors should be aware that the Group is currently in the phase of constructing its wind installation vessels, and has not yet commenced operations in this market/business segment. Thus, lack of historical financial and operating history makes it difficult for prospective investors to evaluate the Group's prospects and future results at this stage.

The value of the Shares could for foreign investors be adversely affected by exchange rate fluctuations

The Shares on Merkur Market will be priced in NOK, and any future payments of dividends on the Shares will be made in NOK. Investors registered in the VPS who have not supplied the VPS with details of their bank account, will not receive payment of dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant investor's currency will be the VPS Registrar's exchange rate on the payment date. Exchange rate movements of NOK will therefore affect the value of these dividends and distributions for investors whose principal currency is not NOK. Further, the market value of the Shares as expressed in foreign currencies will fluctuate in part as a result of foreign exchange fluctuations. This could affect the value of the Shares and of any dividends paid on the Shares for an investor whose principal currency is not NOK.

Norwegian law imposes certain restrictions on shares and shareholders

The rights of the Shareholders are governed by Norwegian law and by the Articles of Association. These rights may differ from the rights of shareholders in companies incorporated in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For instance, under Norwegian law, any action brought by a company in respect of wrongful acts committed against such company will be prioritized over actions brought by shareholders claiming compensation in respect of such acts. Further, it may be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions.

Shareholders may not be able to exercise their voting rights for Shares registered in a nominee account

Beneficial owners of the Shares that are registered in a nominee account or otherwise through a nominee arrangement (such as brokers, dealers or other third parties) may not be able to exercise voting rights and other shareholder rights as readily as Shareholders whose Shares are registered in their own names with the VPS prior to the Company's General Meetings. The Company cannot guarantee that beneficial owners of the Shares will receive the notice for a General Meeting in time to instruct their nominees to either effect a re-registration of their Shares in the manner desired by such beneficial owners.

The Shares are subject to restrictions on dividend payments

Norwegian law provides that any declaration of dividends must be adopted by the Company's General Meeting. Dividends may only be declared to the extent that the Company has distributable funds and the Board of Directors finds such a declaration to be prudent in consideration of the size, nature, scope and risks associated with the Company's operations and the need to maintain its liquidity and financial position. Accordingly, the size of any future dividend from the Company to the Shareholders is dependent on a number of factors, such as the Company's business development, results, financial position, cash flow, available liquidity and need for working capital. There are many risks that may affect the Company's earnings, and there can be no guarantee that the Company will be able to present results that enable distribution of dividends to the Shareholders in the future. If no dividend is distributed, the Shareholders' return on investment in the Company will solely generate on the basis of the development of the share price.

The Company has a major shareholder

The Company's shareholder Songa Corp. currently owns 66.67% (such shareholding to be reduced to 51.73% following completion of the Private Placement) of the total outstanding shares in the Company. A large concentration of ownership may amongst other things have the effect of delaying, deterring or preventing a change of control of the Company that could be economically beneficial to other shareholders. The interests of shareholders exerting a significant influence over the Company may further not in all matters be aligned with the interests of the Company and the other shareholders of the Company, which in turn may have a negative effect on the governance and operations of the Company. The Company may furthermore not have sufficient shareholder influence to secure that the Group's best interests are resolved and implemented.

The transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions

None of the Shares have been registered under the US Securities Act of 1933 (as amended) (the "US Securities Act") or any US state securities laws or any other jurisdiction outside of Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold except pursuant to an exemption from, or in transactions not subject to, the registration requirements of the US Securities Act and other applicable securities laws. In addition, there is no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings. Further, investors in the United States and other jurisdictions may have difficulty enforcing any judgment obtained in their local jurisdiction against the Company or its directors or executive officers in Norway.

2 RESPONSIBILITY FOR THE ADMISSION DOCUMENT

This Admission Document has been prepared solely in connection with the Admission to trading on Merkur Market.

The Board of Directors of OHT ASA accepts responsibility for the information contained in this Admission Document. The members of the Board of Directors confirm that, after having taken all reasonable care to ensure that such is the case, the information contained in this Admission Document is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

23 September 2020

The Board of Directors of OHT ASA

Rune Magnus Lundetræ
(Chairperson)

Marianne Heien Blystad
(Board Member)

Fredrik Platou
(Board Member)

3 GENERAL INFORMATION

3.1 Other important investor information

The Company has furnished the information in this Admission Document. No representation or warranty, express or implied, is made by the Merkur Advisors as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Admission Document is, or shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The Merkur Advisors assume no responsibility for the accuracy or completeness or the verification of this Admission Document and accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Admission Document or any such statement.

Neither the Company nor the Merkur Advisors, or any of their respective affiliates, representatives, advisors or selling agents, is making any representation to any purchaser of the Shares regarding the legality of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

3.2 Presentation of financial and other information

3.2.1 Financial information

The Company was incorporated on 21 February 2020, and consequently, has not published any historical financial information. However, the Company is a holding company which owns 100% of the shares in Offshore Heavy Transport AS, the former parent company of the Group incorporated on 18 September 2007, and 100% of the shares in Vind Offshore Installation AS ("Vind Offshore"), acquired by the Company immediately prior to the Private Placement. As of the date of this Admission Document, Offshore Heavy Transport AS and Vind Offshore are the Company's only direct subsidiaries and the Company does not hold any other assets. Vind Offshore was incorporated on 12 May 2020 and has not published any historical financial information. Other than the entering into of the Heads of Agreement and the shipbuilding contract described in Section 7.6.3, Vind Offshore has had very limited activity since its incorporation. Therefore, the financial statements presented herein are the audited consolidated financial statements of Offshore Heavy Transport AS for the years ending 31 December 2019 and 31 December 2018 (the "Financial Statements") and the unaudited consolidated management accounts of Offshore Heavy Transport AS for the six months ended 30 June 2020 (the "Management Accounts"), and the presentation of, and any reference to, the Group's or the Company's historic financial information, or similar terms or references, shall be understood accordingly. In addition, the Company has prepared an opening balance as of the date of its date of incorporation. This opening balance has been audited by the Company's auditor PricewaterhouseCoopers AS and is attached hereto as Appendix B.

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Financial Statements have been audited by PricewaterhouseCoopers AS.

The Company presents the Financial Statements in USD (presentation currency). Reference is made to Section 8 ("Selected financial information and other information") for further information.

3.2.2 Industry and market data

In this Admission Document, the Company has used industry and market data obtained from independent industry publications, market research and other publicly available information. Although the industry and market data is inherently imprecise, the Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Admission Document that was extracted from industry publications or reports and reproduced herein.

Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such data and statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Admission Document (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 1 ("Risk factors") and elsewhere in this Admission Document.

Unless otherwise indicated in the Admission Document, the basis for any statements regarding the Company's competitive position is based on the Company's own assessment and knowledge of the market in which it operates.

3.3 Cautionary note regarding forward-looking statements

This Admission Document includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements are not historic facts. Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Admission Document. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. For a non-exhaustive overview of important factors that could cause those differences, please refer to Section 1 ("Risk factors").

These forward-looking statements speak only as at the date on which they are made. The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Admission Document.

4 REASONS FOR THE ADMISSION

As of the date of this Admission Document, the Company has 2 registered Shareholders. The Company has experienced an increasing interest from the investor community for sustainable business models and sees the Listing as an excellent opportunity for meeting this demand.

The Company operates in an industry that is "asset heavy", meaning there is a significant capital need that relates to the investment in offshore wind installation vessels and HTVs. To fund these investments, significant capital is needed. Access to the public capital market, both with respect to equity and debt financing, will be important to the Company and enable it to execute the business strategy.

The Company also believes the Admission will:

- enhance the Group's profile with investors, business partners, suppliers and customers;
- allow for a trading platform and liquid market for the Shares;
- facilitate for a more diversified shareholder base and enable additional investors to take part in the Group's future growth and value creation; and
- further improve the ability of the Group to attract and retain key management and employees.

The Company intends to apply for a listing of the Shares on Oslo Børs within 6 months from the Admission.

No equity capital or proceeds will be raised by the Company upon the Admission, but the Company has completed a private placement immediately prior to the Admission, as further described in Section 6 ("The Private Placement"). Following registration of the Private Placement, the Company will have 119 registered Shareholders.

5 DIVIDENDS AND DIVIDEND POLICY

5.1 Dividends policy

The Company does not intend to declare or pay any dividends to its shareholders in the near future due to the significant investments in the Newbuildings. When the vessels currently being built are in operation and the Company receives net positive cash flows from firm contracts, the Company intends to distribute a share of its future earnings, if any, to the shareholders and retain the remaining to fund its operations and to develop and grow its business. The Company's future dividend policy is within the discretion of the Board of Directors, but should the market develop as expected, the Company will balance dividends to shareholders with other various factors that the Board of Directors deems relevant, including the Company's results of operations, financial condition, capital requirements and investment opportunities.

In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will take into account legal restrictions, as set out in Section 5.2 ("Legal and contractual constraints on the distribution of dividends") below, as well as capital expenditure plans, financing requirements and maintaining the appropriate strategic flexibility.

Offshore Heavy Transport AS did not pay any dividends during the financial years 2019 or 2018.

5.2 Legal and contractual constraints on the distribution of dividends

In deciding whether to propose a dividend and in determining the dividend amount in the future, the Board of Directors must take into account applicable legal restrictions, as set out in the Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45 (as amended) (the "Companies Act"), the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its contractual arrangements in force at the time of the dividend may place on its ability to pay dividends and the maintenance of appropriate financial flexibility. Except in certain specific and limited circumstances set out in the Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

Dividends may be paid in cash or in some instances in kind. The Companies Act provides the following constraints on the distribution of dividends applicable to the Company:

- Section 8-1 of the Companies Act regulates what may be distributed as dividend, and provides that the Company may distribute dividends only to the extent that the Company after said distribution still has net assets to cover (i) the share capital and (ii) other restricted equity (i.e. the reserve for unrealized gains and the reserve for valuation of differences).

- The calculation of the distributable equity shall be made on the basis of the balance sheet included in the approved annual accounts for the last financial year, provided, however, that the registered share capital as of the date of the resolution to distribute dividend shall be applied. Following the approval of the annual accounts for the last financial year, the General Meeting may also authorize the Board of Directors to declare dividends on the basis of the Company's annual accounts. Dividends may also be resolved by the General Meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date not further into the past than six months before the date of the General Meeting's resolution.

- Dividends can only be distributed to the extent that the Company's equity and liquidity following the distribution is considered sound.

Pursuant to the Companies Act, the time when an entitlement to dividend arises depends on what was resolved by the General Meeting when it resolved to issue new shares in the company. A subscriber of new shares in a Norwegian public limited company will normally be entitled to dividends from the time when the relevant share capital increase is registered with the Norwegian Register of Business Enterprises. The Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 11 ("Norwegian taxation").

5.3 Manner of dividends payment

Any future payments of dividends on the Shares will be denominated in the currency of the bank account of the relevant shareholder, and will be paid to the shareholders through the VPS Registrar. Shareholders registered in the VPS who have not supplied the VPS Registrar with details of their bank account, will not receive payment of dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) applied when denominating any future payments of dividends to the relevant shareholder's currency will be the VPS Registrar's exchange rate on the payment date. Dividends will be credited automatically to the VPS registered shareholders' accounts, or in lieu of such registered account, at the time when the shareholder has provided the VPS Registrar with their bank account details, without the need for shareholders to present documentation proving their ownership of the Shares. Shareholders' right to payment of dividend will lapse three years following the resolved payment date for those shareholders who have not registered their bank account details with the VPS Registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the VPS Registrar to the Company.

6 THE PRIVATE PLACEMENT

6.1 Details of the Private Placement

It is expected that the Company will complete a private placement (the "**Private Placement**") on 23 September 2020, consisting of a share capital increase for a total amount of NOK 541,734,000, by issuing 27,086,700 Shares, with a nominal value of NOK 0.10 each, at a subscription price of NOK 20 per Share.

The bookbuilding period for the Private Placement took place from 14 September 2020 to 17 September 2020, notifications of allocation was issued on 18 and 21 September 2020 and payment will take place on 23 September 2020. Delivery of the new Shares in the Private Placement will be made through the facilities of the VPS as soon as the share capital increase is registered in the Norwegian Register of Business Enterprises and will occur prior to trading of the Shares on Merkur Market.

6.2 Corporate reorganization prior to the Private Placement

Shortly prior to resolving the Private Placement, all of the shares in Offshore Heavy Transport AS were contributed to the Company, against issue of 93,761,334 Shares in the Company to the shareholders of Offshore Heavy Transport AS, simultaneously with a write down of the existing share capital of the Company (the "**Reorganization**"), which thereby established the same shareholder structure of the Company as in Offshore Heavy Transport immediately prior to the Reorganization.

The Company has considered the impact of the Reorganization. As the Reorganization is a transaction between companies with the same controlling shareholder, the transaction is considered by the Company to be a transaction under common control. The implications are that the carrying values of assets and liabilities in Offshore Heavy Transport AS are recognised in the Group (with OHT ASA as the new parent company) with the same carrying values as in Offshore Heavy Transport AS, i.e. in line with continuity and with no fair value adjustments.

6.3 Shareholdings following the Private Placement

Upon completion of the registration of the Private Placement in the Norwegian Register of Business Enterprises, which will occur prior to trading of the Shares on Merkur Market, the Company will have the shareholders set out in Section 10.4 ("Ownership structure").

6.4 Use of proceeds

The proceeds from the Private Placement will primarily be used on the construction of the first Gusto NG-14000XL-G wind turbine installation vessel at China Merchants' shipyard in Haimen, China. In addition to this, the proceeds will be used to fund working capital and for general corporate purposes, including to cover relevant transaction costs incurred in connection with the Private Placement and the acquisition and transaction costs incurred in relation to the acquisition of Vind Offshore.

6.5 Lock-up

6.5.1 Major Shareholders

Pursuant to lock-up undertakings to be entered into in connection with the Private Placement, Songa Corp. and Lotus Marine AS are expected to undertake that they will not, without the prior written consent of the Manager, during the period up to the first to occur of (i) an initial public offering of the Company; and (ii) the date falling 6 months after the first day of trading of the Shares on Merkur Market, (1) offer, pledge, create any security interest over, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell or lend or otherwise transfer or dispose of any Shares or any securities convertible into or exercisable for Shares or (2) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of any Shares, whether any such transaction described in clause (1) above or (2) is to be settled by delivery of Shares or other securities, in cash or otherwise, or (3) agree or publicly announce an intention to effect any transaction specified in clause (1) or (2). The foregoing does not prevent the Selling Shareholders from (a) accepting or pre-accepting any recommended take-over offer for all of the Shares of the Company in accordance with chapter 6 of the Norwegian Securities Trading Act, (b) voting in favour of and exchanging shares in a statutory merger in which the Company is a merging party, (c) transferring Shares to an entity which either owns, directly or indirectly, all of the issued shares in the Selling Shareholder or an entity that is owned 100% by the Selling Shareholder, directly or indirectly, subject to the acquiring party having entered into a lock-up undertaking on the same terms, (d) any sale of Shares received by the Selling Shareholder following exercise of employee share options, or (e) any sale of Shares as part of an OSE Listing.

6.5.2 Vind Offshore acquisition

As part of the share purchase agreement for the Company's acquisition of 100% of the shares in Vind Offshore, Turbin Capital AS, the seller of the shares, are entitled to an additional purchase price of USD 2,308,400 (equal to 1% of the contract price under the shipbuilding contract for the first wind turbine installation vessel). The additional purchase price shall at the Company's option either be paid in shares in the Company based on the subscription price in the Private Placement or in cash. If the additional purchase price is paid in cash, Turbin Capital AS, has undertaken to acquire shares in the Company for the entire consideration. The shares so received or acquired shall be subject to a lock-up period of 12 months.

7 BUSINESS OVERVIEW

This section provides an overview of the Company's business as of the date of this Admission Document. The following discussion contains forward-looking statements that reflect the Company's plans and estimates, see Section 3.3 ("Cautionary note regarding forward-looking statements") above, and should be read in conjunction with other parts of this Admission Document, in particular Section 1 ("Risk factors").

7.1 Introduction

The current Group was established in September 2020, but its history dates back to 2004, when the current majority shareholder, the Arne Blystad Group, decided to re-establish its HTV engagement through the establishment of Heavy Transport AS which was later combined with Awilco Heavy Transport ASA (the Company's predecessor) and listed on the Oslo Stock Exchange. The Group is a Norwegian based supplier of special heavy transportation services, particularly to the ship transportation/cargo industry, the oil service industry and the offshore wind industry, such as drilling rigs, offshore modules and offshore windfarm foundations. Through its wholly-owned subsidiaries, the Group owns five HTVs. In addition, the wholly-owned subsidiary, OHT Alfa Lift AS, will take delivery of a custom-built semi submersible offshore wind foundation installation vessel at the end of 2021, and the recently acquired subsidiary Vind Offshore Installation AS (together with its subsidiaries, the "**Vind Companies**"), has entered into an Heads of Agreement dated 29 July 2020 for the construction and delivery of one firm and one conditional wind turbine installation vessel, with the option to order an additional two identical units. Shipbuilding contracts for the first two units have been negotiated and agreed and are expected to be signed on or about 23 September 2020, together with an option agreement for the two additional units. The effectiveness of the second shipbuilding contract is conditional upon a final investment decision being taken by the Group, such final investment decision to be taken at the latest on 15 June 2021. The Company is headquartered in Oslo, Norway and has as of the date of this Admission Document 31 employees.

The legal and commercial name of the Company is OHT ASA, and the Company's business registration number is 824 695 792. The Company is a public limited liability company (Nw: allmennaksjeselskap) validly incorporated and existing under the laws of Norway and in accordance with the Companies Act.

The Company was incorporated as a private limited liability company (Nw: aksjeselskap) in Oslo, Norway on 21 February 2020 and converted into a public limited liability company on 11 September 2020.

The Company's registered business address is Haakon VIIs gate 1, 0161 Oslo, Norway. Oslo is also its principal place of business. The Company's registered telephone number is +47 23 11 82 70 and its website is www.oht.no.

The Shares are registered in book-entry form with VPS under ISIN NO 001 0893803. The Company's register of shareholders in VPS is administrated by the VPS Registrar, DNB Bank ASA, Dronning Eufemias gate 30, NO-0191 Oslo. The Company's LEI-code is 984500D47BF2D47T7F41.

7.2 History and important events

The table below shows the Group's key milestones from its incorporation and to the date of this Admission Document:

Year	Event
2004	• The Company's current majority shareholder, the Arne Blystad Group, decides to re-establish its HTV engagement through the establishment of Heavy Transport AS
2005	• Awilco AS decides to expand its activities into the HTV industry in cooperation with external investors, by establishing Awilco Heavy Transport ASA (Offshore Heavy Transport AS' predecessor). • Awilco Heavy Transport ASA acquires two aframax tanker vessels under conversion to HTVs. • Heavy Transport AS acquires two aframax tanker vessels under conversion to HTVs.
Nov. 2006	• Delivery of the first converted HTV, Eagle.
Feb. 2007	• Awilco Heavy Transport ASA and Heavy Transport AS agree to combine their HTV activities in Awilco Heavy Transport ASA and changing the company's name to Ocean HeavyLift ASA

	• Listing of Ocean HeavyLift ASA on the Oslo Stock Exchange.
Apr. 2007	• The second vessel, Falcon, was delivered.
May. 2008	• The third vessel, Osprey, was delivered.
Oct. 2008	• Mandatory offer, pursuant to which the Blystad group acquired 89% of the shares in Ocean HeavyLift ASA.
Dec. 2008	• The fourth vessel, Hawk, was delivered • Acquisition of OHT Management AS and name change to Offshore Heavy Transport AS • De-listing from Oslo Stock Exchange
Sept. 2010	• Grand China Logistics Holding (Group) Company Limited acquires a 60% ownership stake in the Company
2012	• Restructuring of Offshore Heavy Transport AS, resulting in the current company structure
2013	• Lotus Marine AS acquiring 33.33% of Offshore Heavy Transport AS
2015	• The fifth vessel, Albatross, was delivered
2018	• Shipbuilding contract for the Alfa Lift entered into
2019	• All vessels classed and installed exhaust gas cleaning systems to reduce emissions • Alfa Lift secured a Preferred Supplier Agreement for transportation and installation of wind turbine foundations for the Dogger Bank project – the world's largest offshore wind farm
Feb 2020	• Commenced work for the Dogger Bank project under an interim notice to proceed
July 2020	• Contract entered into for the Dogger Bank A project
August 2020	• Contract entered into for the Dogger Bank B project
September 2020	• Acquisition of the Vind Companies, establishment of the Group and Listing on the Oslo Stock Exchange.

7.3 Sustainable value creation and ESG

As an owner and operator of offshore wind transportation and installation vessels, the Group will be highly involved in the global offshore wind supply and value chain, contributing to the production of carbon-free energy from offshore wind resources. To achieve this ambition and recognizing the overall determination of the wider energy industry to reduce carbon emissions, the Group is working with world leading maritime designers, suppliers and shipyards to establish a unique, environmentally friendly design for its offshore wind installation vessels. Ensuring that each vessel will contribute to a sustainable value creation, from start of construction through delivery and during the full lifespan of its operations.

7.4 Vision and strategy

The Company's vision is to be a leader in offshore heavy transportation and installation – contributing to an efficient and sustainable energy supply for the future. The strategic focus is to capitalize on its expertise, track record and market position to transition from oil & gas to renewables by focusing its transportation fleet on renewable projects and by becoming a leader in offshore wind foundation and turbine installation through its Newbuildings. The Group targets to exit oil & gas markets entirely within 2026, with the exception of sustainable oil & gas decommissioning projects.

7.5 The Group's business

7.5.1 Introduction

The Group has a solid track-record from executing transportation services to many of the world's leading offshore operators. As of the date of this Admission Document, the Group has carried out approximately 315 voyages since the delivery of its first vessel Eagle in November 2006.

The Group has experience from transporting a vast range of cargo types from cranes, ships, drydocks and dredgers to semi-submersible and jack-up rigs. The majority of cargo transported since delivery of the company's first vessel has been jack-up rigs, representing almost half of the total number of projects, followed by dredgers and semi-submersible rigs.

Since 2015, the Group has implemented a shift to focus more on transportation of offshore wind structures and as per the date of this Admission Document approximately 40% of all heavy cargo transported by the Group in 2020 is offshore wind structures (and makes up more than 50% of the revenue).

The Group operates worldwide across the Asia Pacific region, EMEA and North America, and serves a wide client base both in terms of operations and geography, including many of the world's leading offshore drilling contractors such as Valaris, Eni Saipem, Transocean, Shelf Drilling, Noble Drilling and Seadrill. The largest geographical areas in terms of cargo loading are the Singapore area, the East China Sea and the US Gulf representing 60% of all loading ports, whereas ports located in the Middle East Gulf, the Singapore area, the North Sea and Africa represent approximately 63% of all discharging ports.

7.5.2 HTV operations

Currently, the main business of the Group is the offshore heavy transportation business, where the Group's HTVs are the key assets.

HTVs are generally characterized by having large, open deck spaces that allow the cargoes to extend outside of the vessel. The cargoes are generally carried onboard the vessel either by skidding or by floating. For this purpose, an HTV can take in ballast water to adjust its deck height to the desired level, which may include submerging. When the cargo has been correctly placed, the HTV will pump out ballast water to lift the deck out of the water. The process is reversed at the discharging port.

The figures below illustrate HTVs in different stages of the process:

Figure 1 - HTV, with cargo:

Figure 2 - HTV submerged, ready to take onboard cargo:

Figure 3 - HTV, loaded with jack-up rig:

All of the Group's vessels are former tanker vessels that have been converted into HTVs and all vessels have installed exhaust gas scrubbers and are therefore compliant with the IMO 2020 standards.

The main attributes that generally characterize different types of HTVs are:

- Deck size: The size of the unobstructed deck will determine the physical size of the cargo that can be lifted. A typical HTV serving the offshore rig market can carry two jack-up drilling rigs at a time. All of the Group's five current vessels have such capacity

- Lifting capacity: The deck cargo capacity of the vessel is determined by the vessel's lifting capacity and therefore the type of cargo the vessel may transport. Typical project cargoes for HTVs have a weight of 10,000 to 30,000 metric tonnes (mt). Certain semi-submersible rigs will be too heavy for most HTVs. Also, certain jack-up rigs will be too heavy to allow two rigs to be carried at a time. The vessels Eagle and Falcon have a carrying capacity of about 20,000mt, while the vessels Albatross, Osprey and Hawk have carrying capacity of up to 40,000mt.

- Deck lay-out: The deck lay-out will determine how cargoes can be carried on-board and to what extent the cargo can extend outside of the vessel. Certain purpose built HTVs have a deck that is unobstructed in three directions (port, starboard, aft) which allows for maximum flexibility. The normal lay-out for converted vessels, which is also used on the Group's five vessels, is to have a deck that is unobstructed in two directions (port, starboard) but limited in the longitudinal direction.

- Submerging capacity: The submerging capacity must correspond with the draft of the floating cargo to be loaded. The vessels Eagle and Falcon have a submerging capacity of 8.5 meters water above deck, which is sufficient to accommodate all but a very few of the largest drilling rigs. The vessels Osprey and Hawk have a submerging capacity of 10.5 meters which in practice covers all jack-up rigs. The vessel Albatross has a submerging capacity of 9.5 meters.

- Pumping capacity and ballast tank lay-out: These items, including the air vent system, are important items for an efficient and well functioning HTV. The ballast tank arrangement ensures adequate stability during all phases of the different operations, i.e. loading, transit and discharge. Pumps are used to carry out the operations which are dependent upon shifting of ballast to and from tanks. The air vent system is used to evacuate all air from the tanks. The Group's five vessels all have large pumping capacity from their dedicated pump arrangements. The ballast tank lay-out on the vessels Osprey and Hawk make these vessels capable of skidding operations, i.e. loading directly from shore to the vessels.

- Speed and engine size: The vessel's speed determines the time it takes to complete a transport. Since HTV contracts are generally awarded on a fixed amount (lump sum) basis with a bunkers escalation clause, a more rapid vessel will be able to complete the voyage quicker and will thus have higher earnings per day.

7.5.3 Wind installation

In addition to the offshore heavy transportation business, the Group has invested heavily in the offshore wind installation market and plans to become a leading player in this market, through OHT Alfa Lift AS and the Vind Companies, which are future owners and operators of offshore wind installation vessels.

Alfa Lift

OHT Alfa Lift AS is expected to take delivery of a semi submersible custom-built offshore wind foundation installation vessel at the end of 2021. The Alfa Lift is a 51,087 dwt semi-submersible offshore wind installation vessel of Ulstein design, which is capable of carrying and installing up to 16 XL monopiles or 12 jackets per voyage making it the largest and most innovative offshore wind foundation installation vessel in the world. The Alfa Lift is currently under construction by China Merchants in China.

The Alfa Lift is a custom-built design with several unique features such as:

- Superior capacity of 11 XXL monopiles or 10 large jackets which results in fewer trips, ability to sail directly from fabricator to the wind farm and thus avoiding a marshalling port.
- The main deck is fully mechanized which allows for faster and safer loading and installation.
- The Alfa Lift is equipped with a motion compensated pile gripper that allows installation of monopiles with vessel in DP mode. This will again result in faster installation.
- Monopiles are always fully controlled which allows for higher sea state limitations.
- The Alfa Lift can be submerged offshore which also allows for higher sea state limitations.

The Alfa Lift has the following key specifications:

Main particulars	
Length over all	217.88 m
Length p.p.	204.26 m
Breadth moulded	56.00 m
Depth moulded	12.60 m
Summer draft	9.64 m
Deadweight	51,087 t
Submerged depth above deck	14.66 m
Dynamic positioning	DP2 360 deg. HS 2.5 m
Max crane capacity	3,000 t
Crane hook height	108.00 m
Length over all	217.88 m
Free deck length	148.40 m
Free deck area	8,310 m2 main+ 1,800 m² fcstl
Max deck load	30 t/m² main + 15 t/m² fcstl
Maximum speed	14.3 kn
Cruising range	55 days
Accommodation	100 people
Flag	Norwegian
Classification	DNV GL
Delivery	2021

Turbine installation vessel

In addition to the Alfa Lift, the Group has through the Vind Companies entered into an Heads of Agreement with China Merchants for the construction and delivery of one firm plus one conditional NG-14000XL-G vessel, with options to place orders for additional two identical vessels. Shipbuilding contracts for the first two vessels have been negotiated and agreed and are expected to be signed on or about 23 September 2020, together with an option agreement for the two optional vessels. The effectiveness of the second shipbuilding contract is conditional upon a final investment decision being taken by the Group, such final investment decision to be taken at the latest on 15 June 2021.

Figure 4 – NG-14000XL-G[1]

The NG-14000XL-G is designed by GustoMSC and is a modified version of the proven NG-14000XL design, tailored to reduce carbon footprint and emissions. The vessels have been designed to install the next generation of offshore wind turbines and include the following key specifications:

Main particulars	
Function	WTI + WTF
Hull length and width (m)	142 x 50
Accommodation (#)	130
Water depth (m)	70
Leg length (m)	109
Leg length below hull (m)	83
Variable load (t)	8,750+
Deck area (m2)	4,600
Crane (t@m)	2,500 @ 30
Crane (telescopic mode)	1,250 @ 47
Hook height above deck (m)	115 – 159
Jacking system	VSD Rack and Pinion
Main crane	Telescopic leg crane

The vessels will be constructed by China Merchants Industry Holdings Co., Ltd. in China. The China Merchants yard is the same yard currently constructing the Alfa Lift and has an excellent track record of constructing and delivering highly complex vessel designs on time and at cost.

The NG-14000XL-G vessel was designed specifically to address the pressure from the wider industry to reduce carbon footprint across the supply chain. The design is based on the GustoMSC NG-14000XL standard vessel design, but includes several modifications aimed to improve its environmental impact and carbon emissions. Main features include:

- Waste heat recovery (enabling reduced fuel consumption)
  - Recovering waste heat from power generation tailored for its operating environment
  - Used for heat generation

[1] Source: GustoMSC

- Rechargeable batteries (enabling reduced fuel consumption and higher variable load)
    - Recover power from jacking and crane operations
    - Lower weight due to decreased number of fuel driven generators

- Optimized hull (Increased sailing speed or reduced fuel consumption)
    - Underwater shape and propulsion layout
    - Non-toxic, eco friendly hull paint
    - Approximately 10% resistance reduction

The vessel is designed and equipped specifically to ensure that it will be able to install future generations of offshore wind turbines. The primary limitation from a vessel specification perspective relates to the crane capacity. To address this, the NG-14000XL-G will be equipped with a Gusto MSC 2,500 ton deck crane with hook height of 159m above deck.

Additionally, the vessel will be able to perform installations in wave heights up to 2.5m. Ensuring high operational utilization, particularly in harsh environments such as the North Sea.

7.5.4 Future of the wind installation market

The Group believes that the current market dynamic of the wind installation market implies a significant demand for new installation vessels as the current fleet will struggle to keep up with the growth in turbines (see section 7.7.4 below). Due to a combination of higher power output, height and weight for offshore turbines, the requirements for enhanced technical capabilities of foundation and turbine installation vessels are significantly higher than within other segments of the offshore wind supply chain. The primary limitation of the current fleet pertains to maximum hook height and as a consequence the majority of the current turbine installation vessels will likely be unable to lift next generation turbines to the required heights.

In parallel to the installation of offshore wind turbines, the Group is also pursuing opportunities to install offshore wind foundations. In terms of vessel requirements, foundation installation differs from turbine installation on two key aspects: 1) it does not require the same crane capacity as turbines pertaining to maximum lifting height and 2) foundation installation does not require a specialized jack-up installation vessel. As a consequence, the foundation installation market is generally more competitive than the turbine installation market. However, with the growing size of foundations and turbines a significant number of vessels will be forced out of the market due to insufficient crane capacities. The Group's ongoing project to construct Alfa Lift, a specialized foundation installation vessel, is designed to address this shortfall. Alfa Lift is designed specifically to transport and install tomorrow's foundations supporting next generation turbines. Whilst the NG-14000XL-G is primarily designed to install turbines, it will also be capable of installing foundations weighing up to 2,000 tons and will as such be highly competitive against the current jack-up fleet when it comes to installing foundations for the next generation turbines.

The primary operation of the Company will relate to the loading, transportation and installation of offshore wind foundations and turbines on behalf of clients. The clients are typically large, international developers of offshore wind projects, such as Ørsted, Vattenfall, Scottish Power Renewables and Equinor. The NG-14000XL-G vessel will pick up the turbines at a nearby port, transport the turbines to the offshore wind park and perform installations of turbines on already installed foundations. Key factors affecting the installation rate (average number of days per installation) include the number of turbines to be installed, loading and transportation time (impacted by distance from onshore base to offshore wind park and sailing speed), type of turbine and associated installation procedure and weather days (days unable to perform installations due to unfavourable weather conditions).

Unless otherwise indicated in the Admission Document, the basis for any statements regarding the Company's competitive position is based on the Company's own assessment and knowledge of the market in which it will operate.

7.6 Material contracts

7.6.1 Chartering agreements

The Group's HTVs are specialized units employed for the ocean transport of special cargoes that do not fit into the cargo hulls of conventional ships. The HTV segment of the maritime market is a niche segment that primarily serves the offshore rig market and increasingly the offshore wind market. The typical cargoes carried by these vessels are generally heavy, large, and in many cases costly, and include offshore drilling rigs (both jack-ups and semi-submersible rigs); offshore wind foundations, floating production units (excluding ships); other platforms such as SPARs and TLPs; oil field equipment and modules; and other cargoes, both floating and non-floating, including floating docks, barges, dredgers, floating cranes, pre-fabricated industrial assets, military equipment, etc.

HTVs are normally chartered for project cargoes, unlike many other maritime markets that serve regular trading patterns or fixed services. A typical project cargo will employ the ship over a few weeks to a few months, depending on the sailing distance.

The chartering contracts for HTVs are normally entered into on a fixed amount (lump sum) basis with bunker escalation clauses. This implies that the day rate will depend on the time it takes to complete a contract, including loading, voyage, and discharge. Vessels with more efficient loading and discharging arrangements, and with higher voyage speed and lower bunker consumption will therefore be able to generate higher earnings per day, all other elements considered equal. In the event that the cargo is delayed and the commencement of the voyage thereby delayed, the shipowner will be entitled to demurrage, based on a demurrage rate agreed separately for each chartering contract. Pursuant to the contracts, the Group receives the full benefit of the bunker spread.

Several of the contracts leave flexibility for the Group to assign a vessel in accordance with availability, giving the Group the choice to select the vessel best located, and thereby optimizing its fleet logistics and manage its vessels more efficiently.

The contracts entered into by the Group are typically based on the Heavycon 2007 standard charter party. The Heavycon 2007 is a BIMCO (Baltic and International Maritime Council) standard contract and generally considered to be balanced or slightly in favor of shipowner. Deviations from the standard terms and conditions are negotiated and agreed on a charter by charter basis.

The contracts are voyage charter parties, which mean that the vessels are chartered out for a single voyage, rather than on a time charter or bareboat charter basis. The HTVs are normally booked quite some time in advance of the actual voyage, with a loading window that will be narrowed down in the period leading up to the actual commencement of the voyage.

7.6.2 Technical management arrangement

Each of the Group's shipowning subsidiaries has entered into technical management agreements with Songa Shipmanagement Ltd. Songa Shipmanagement Ltd is owned by the Blystad group which is defined as a "related party". In accordance with these agreements, Songa Shipmanagement Ltd has the responsibility to supervise the maintenance and general efficiency of the vessels, including, but not limited to, crew management, arrangement and supervision of drydockings and repairs, arrangement of the supply of stores, spares and lubricating oils as well as ensuring compliance with the ISM code.

The agreements are entered into on the basis of the Shipman 2009 standard form agreement and have been entered into on arm's length terms in accordance with the current market level.

The Group pays a management fee per vessel of USD 228,000 per year, subject to annual escalation in accordance with the British Consumer Price Index.

The manager shall only be liable for loss or damage in the course of performing the management services caused solely by the manager's negligence, gross negligence or wilful misconduct in connection with the vessel, limited to ten times the annual management fee. The manager shall not be liable for the actions of the crew, unless damage has resulted from the manager's failure to discharge its obligations in accordance with the agreement. The agreements can be terminated by either party with two months' notice.

7.6.3 Newbuild agreements

<u>Alfa Lift</u>

On 10 June 2018, OHT Alfa Lift AS entered into a shipbuilding contract (the "SBC") with China Merchants Industry Holdings Co, Ltd. for the construction and delivery of one semi-submersible offshore wind foundations installation vessel of Ulstein design. OHT Alfa Lift AS simultaneously entered into an option agreement for the construction of up to three additional vessels of identical design (of which the first two options have lapsed). The SBC is entered into

on a SAJ (Shipbuilder's Association of Japan) standard form shipbuilding contract, however, amended following negotiations between the parties. As per the terms of the SBC, 30% of the contract price is payable prior to delivery while 70% becomes payable upon delivery of the vessel from the shipyard. The pre-delivery instalments are payable with 10% on the effective date of the SBC, 5% upon completion of steel cutting, 5% upon completion of keel laying and 10% upon launching of the vessel. All pre-delivery instalments are secured through refund guarantees issued by United Overseas Bank listed on the SGX.

China Merchants has the full design responsibility for the vessel and the SBC is a turnkey contract for the vessel including the offshore crane, excluding only mission equipment located on the vessel's deck during operations.

OHT Alfa Lift AS required that the vessel's offshore crane was purchased from Liebherr-MCCtec Rostock GmbH in Germany. Due to the request, the offshore crane is designated as owner designated equipment in the SBC, meaning that any cost increase on the part of Liebherr will be compensated by OHT Alfa Lift by way of an increase in the purchase price under the SBC. Further, any delays in the construction of the offshore crane on the part of Liebherr will entitle China Merchants to a delayed delivery of the completed vessel.

The agreed delivery date under the SBC was originally 10 December 2020. However, due to delays on the part of Liebherr in its construction of the offshore crane, the scheduled delivery date has now been postponed to 28 November 2021.

As part of the SBC, China Merchants has agreed to provide take-out financing of the 70% instalment falling due on the vessel's delivery through a Chinese lease arrangement. The main terms of the lease arrangement have been agreed, however, final agreements will only be formalised closer to delivery of the vessel from the shipyard.

Vind Offshore

On 29 July 2020 Vind Offshore signed an Heads of Agreement (the "HoA") with China Merchants for the construction of one firm plus one conditional NG-14000XL-G turbine installation vessel with delivery of the first unit in 2023. The HoA also include provisions providing the Company with the options to place orders for an additional two vessels.

Subsequent to the entry into of the HoA, the parties have negotiated and agreed the terms of the shipbuilding contracts for the first two turbine installation vessels ("VIND 1" and "VIND 2" respectively). The shipbuilding contracts are expected to be signed on or about 23 September 2020, together with an option agreement for the two optional units.

The shipbuilding contracts for VIND 1 and VIND 2 are entered into on a SAJ (Shipbuilder's Association of Japan) standard form shipbuilding contract, however, amended following negotiations between the parties. As per the terms of the shipbuilding contracts, 40% of the contract price is payable prior to delivery while 60% becomes payable upon delivery of the respective vessel from the shipyard. The pre-delivery instalments are payable with 10% on the effective date of the shipbuilding contract, 10% upon completion of steel cutting, 10% upon completion of keel laying and 10% upon launching of the vessel. All pre-delivery instalments will be secured through refund guarantees issued by a first class bank acceptable to Vind Offshore and payment of the pre-delivery installments will be secured by a payment guarantee from the Company or a subsidiary thereof.

The shipbuilding contract for VIND 1 is conditional upon receipt of a refund guarantee from the shipyard securing the first installment, and subsequent payment of the first installment, such conditions expected to be lifted within 45 days from the date of execution of the shipbuilding contract, following which the shipbuilding contract will become effective.

The shipbuilding contract for VIND 2 is entered into on same terms as the shipbuilding contract for VIND 1, provided, however, that the effectiveness of the shipbuilding contract for the VIND 2 is conditional upon a final investment decision being taken by the Group at its discretion, such investment decision to be made at the latest on 15 June 2021. If the investment decision is not lifted within such deadline, the shipbuilding contract for the second unit will be deemed null and void without any further obligations between the parties.

China Merchants has the full design responsibility for both units and the shipbuilding contracts will be entered into on turnkey basis.

The agreed delivery dates under the shipbuilding contracts are 30 months and 34 months from the effective date of the shipbuilding contract for VIND 1 and VIND 2, respectively.

7.6.4 Dogger Bank contract

On 3 December 2018, OHT Alfa Lift AS submitted a tender for the transportation and installation of monopiles and transition pieces for the Dogger Bank offshore wind project offshore UK, the world's largest offshore windfarm development project. Following extensive negotiations, OHT Alfa Lift AS was selected as the preferred bidder in October 2019 and a Preferred Supplier Agreement was entered into on 15 October 2019. The scope of work comprises the transportation and installation of 95 monopiles and corresponding transition pieces for each of the Dogger Bank A and the Dogger Bank B offshore windfarms, utilising OHT Alfa Lift AS' newbuild foundation installation vessel, Alfa Lift.

Final contracts have been negotiated and were entered into on 30 July 2020 for the Dogger Bank A project and 24 August 2020 for the Dogger Bank B project. The two contracts are entered into subject to Final Investment Decision ("FID") of the Dogger Bank projects, which is estimated to take place during the fourth quarter of 2020, possibly extending into first quarter of 2021.

Pending FID of the Dogger Bank projects, OHT Alfa Lift AS has commenced work on the projects under two interim notices to proceed entered into on 11 February 2020 and as extended in July and August 2020 in connection with the entry into of the final contracts.

7.6.5 The Vind Offshore acquisition

On 13 September 2020, the Company entered into a share purchase agreement for the acquisition of 100% of the shares in Vind Offshore from Turbin Capital AS, against a consideration equal to the contributed share capital of Vind Offshore of NOK 300,000. As part of the transaction, the Company also agreed to repay/refinance debts and shareholder loans in an amount of up to NOK 2,000,000. Turbin Capital AS are also entitled to an additional purchase price as follows:

(i) Upon the effective date of the shipbuilding contract for the first wind turbine installation vessel, an additional purchase price of USD 2,308,400, equal to 1% of the net purchase price for the vessel, shall fall due; and

(ii) Upon the effective date of the shipbuilding contract for the second wind turbine installation vessel, an additional purchase price of USD 1,154,200, equal to 0.5% of the net purchase price for the vessel, shall fall due.

The additional purchase price set out in sub paragraph (i) above shall at the Company's option either be paid in shares of the Company based on the subscription price in the Private Placement or paid in cash upon receipt of which Turbin Capital AS has undertaken to use the proceeds to acquire shares in the Company. Turbin Capital AS' shares so received or acquired shall be subject to a lock-up period of 12 months. The additional purchase price set out in sub paragraph (ii) above shall be settled in cash. the Completion of the acquisition is conditional upon the placing of the Private Placement and will be completed prior to completion of the Private Placement.

7.6.6 Other material contracts

Other than as set out above, neither the Company nor any other Group company has entered into any material contracts outside the ordinary course of business for the two years prior to the date of this Admission Document. Further, the Group has not entered into any other contract outside the ordinary course of business that contains any provision under which any member of the Group has any obligation or entitlement that is material to the Group as of the date of this Admission Document.

7.7 Principal Markets

7.7.1 The offshore HTV market

The offshore transportation of heavy structures is a highly specialized segment within the offshore industry. The structures transported by the HTV industry are among the largest non-mobile objects regularly moved between countries, and may individually be valued in excess of a billion USD. The need for safe and effective transportation of these structures has created the foundation for a niche market within the shipping industry, operating a fleet of specialized vessels.

The offshore heavy transport market can be divided into a lower and a higher tier segment. The lower tier segment of the industry is characterized by ocean tugs, launch barge operators and heavy cargo ship vessels. The higher segment consists of operators operating custom-built semi-submersible vessels and converted tankers. The following market description will mainly focus on the high-end segment, in which the Group operates.

Figure 5 - Dockwise Forte – a custom-built semi-submersible vessel

Figure 6 - Osprey – a converted tanker vessel

HTVs are used to carry project cargoes which do not fit into the holds of a conventional cargo ship. The loads are typically extremely large and heavy constructions. The cargo base typically served by HTVs includes:

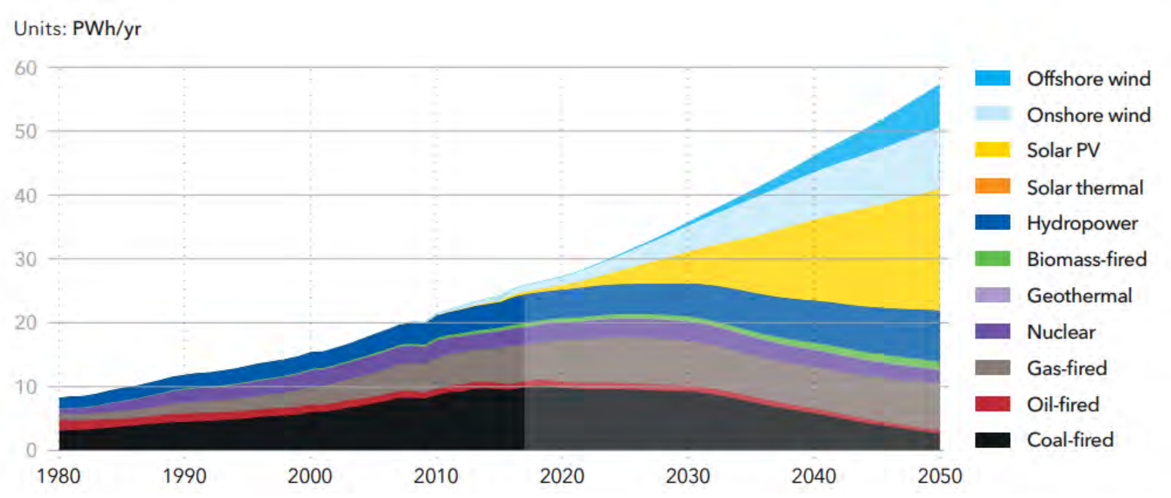
- Offshore drilling rigs (both jack-ups and semi-submersible rigs);
- Floating production units (excluding ships);
- Other platforms such as SPARs and TLPs;
- Oil field equipment and modules; and
- Other cargoes, both floating and non-floating, including docks, barges, yachts, pre-fabricated industrial assets, military equipment, etc.

Historically, the major source of demand for HTVs is the oil/energy industry, where the single largest class of cargoes is transport of offshore drilling rigs. As a consequence of this cargo base, the single most important driver of demand for HTV services has been the global level of investment activity in offshore oil & gas industry, however, during the last couple of years, the Company has seen a gradual increase in demand from offshore wind, primarily transportation of foundations for offshore wind farm development projects. Based on the information provided in the below sub-sections, the Company envisages a transformation from O&G to offshore wind related transports in the coming years.

7.7.2 The transition towards renewable energy

The offshore wind installation market is an integral part and a key enabler of the global transition towards renewable energy. Today fossil fuels account for about two-thirds of the generated electricity globally. Going into 2050, IEA estimates renewable energy sources to contribute to more than 60% of the world's electricity generation. The United Nations are urging global businesses and communities to contribute to reaching the Sustainable Development Goals and OHT intends to be a key contributor to the production of clean, affordable and sustainable energy globally.

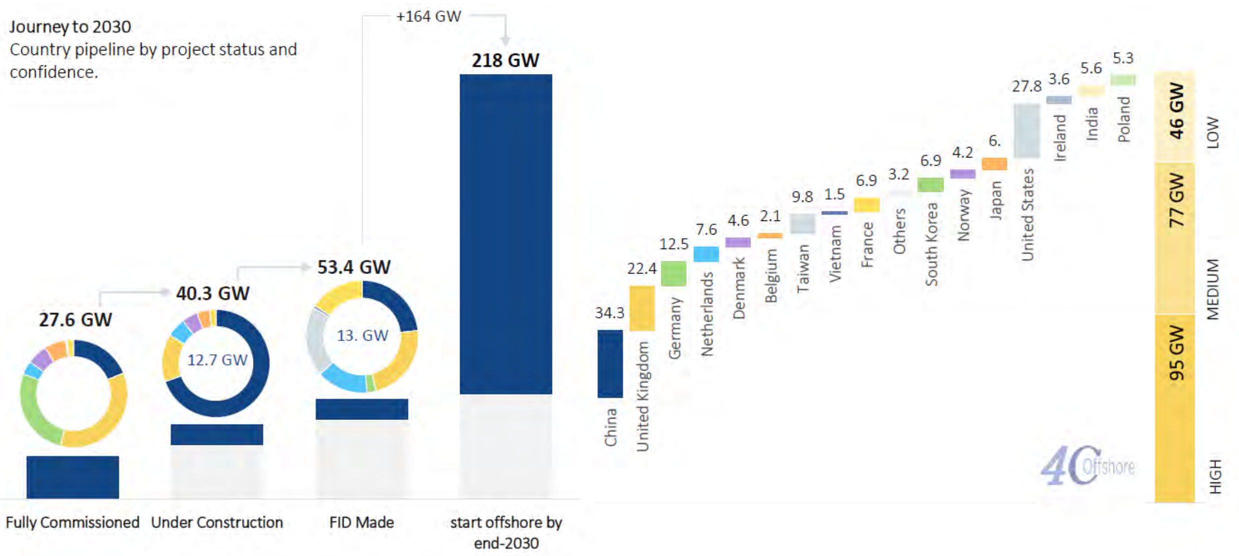
Figure 7[2] - World electricity generation by power station type



7.7.3 Offshore wind

Today offshore wind has a total installed capacity of ~23 GW, accounting for approximately 0.3% of the global electricity generation. Despite the small relative contribution to the global energy mix today, offshore wind is expected to capture increasingly larger shares of the market going forward. In the period 2010 to 2018, global installed offshore wind capacity market grew by just under 25% every year, adding almost 20 GW of new capacity. The growth is primarily driven by significant developments in technology which enabled the production and installation of larger turbines, driving down costs and increasing productivity. The market is expected to continue growing and, according to 4C Offshore, projects reaching a total capacity of 218 GW is expected by 2030.

Figure 8[3] - Global cumulative installation forecast



So far the majority of offshore wind projects have been developed in Europe (about 80% of the global installed capacity). Looking forward, Europe is expected to continue to be a key driver of global demand, but a number of new projects in Asia and the U.S will result in a significant increase in demand from these regions as well.

[2] Source; IEA

[3] Source: 4C Offshore: Global Market Overview Q2 2020 Slide Deck

7.7.4 Offshore wind turbines

Since the first offshore wind turbines were installed off the coast of Denmark in 1991, there has been a significant development within the turbine technology. Manufacturers, such as Siemens Gamesa, GE and MHI Vestas, have focused on increasing the size of the turbines, both in terms of physical size and rated power output. Consequently, from 2010 to 2018 the average capacity of new turbines installed on offshore wind parks in Europe increased from around 3 MW to just over 7 MW. In 2019, a prototype for a 12 MW offshore wind turbine successfully produced its first kWh and in 2020 Siemens Gamesa announced a prototype for a 14-15 MW offshore wind turbine.

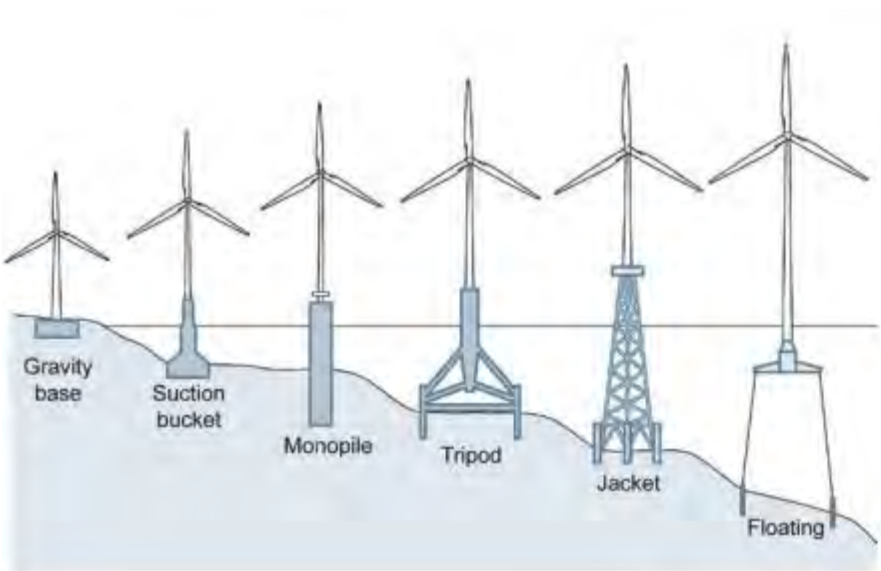
As the production capacity of an offshore wind turbine is improved as the rotor radius increases and wind speeds increase as you move higher above sea level, a key enabler of this capacity growth has been to produce turbines that are larger in physical size, both in terms of tip height and swept area. Compared to the average tip height of turbines installed in 2010 (3 MW) from just over 100m meters, a 12 MW turbine has a tip height of approximately 260m.

This rapid increase in the size of offshore wind turbines has been contributing to driving down the operation and maintenance cost for offshore wind projects. Driving down the levelised cost of energy has been important in making offshore wind commercially competitive with other sources of energy. However, the increase has put pressure on the wider supply chain as larger turbines involve higher capital costs, require larger foundations and pose logistics and installation challenges. With turbine capacity expected to continue to grow towards 15-20 MW the current offshore wind installation fleet will likely struggle to keep up with the demand for new installations. New vessels with improved lift capacities, both in terms of height and weight, are required.

7.7.5 Offshore wind foundations

As new sites continue to move away from shore and into deeper water, jacket foundations may gain a higher market share in a market where monopiles are the dominant foundation design. Other designs such as tripods, tripiles, gravity base foundations and artificial islands have all been used in the past, but will likely be phased out due to the significant cost advantages of the monopile and jacket technologies. Various designs for floating foundations currently hold a very small market share, but could be viable alternatives in the longer term.

Figure 9[4] - Types of foundations



[4] Source: World Steel Association

7.7.6 *Offshore wind installation fleet*

So far, foundation and turbine installations have been performed by jack-up vessels while floaters have primarily been contracted to install larger foundations.

The rapid increase in the size of offshore wind foundations and turbines has pushed a number of the smaller jack-up vessels over to other sub-segments, such as accommodation, transition piece installation, substation commissioning, large component repair or replacement and decommissioning. Of the total fleet of around 45 jack-up vessels, almost half have been inactive since 2015.

Deck space, variable deck load, stability, speed and operational parameters are increasingly important drivers of competitiveness in reducing time taken and number of trips for installation, and therefore overall costs. However, although vessels with larger deck space may be capable of transporting more components, insufficient crane capacities (both in terms of max height and max weight) will effectively push many of these vessels out of the turbine installation market.

7.7.7 *Installation vessel operators*

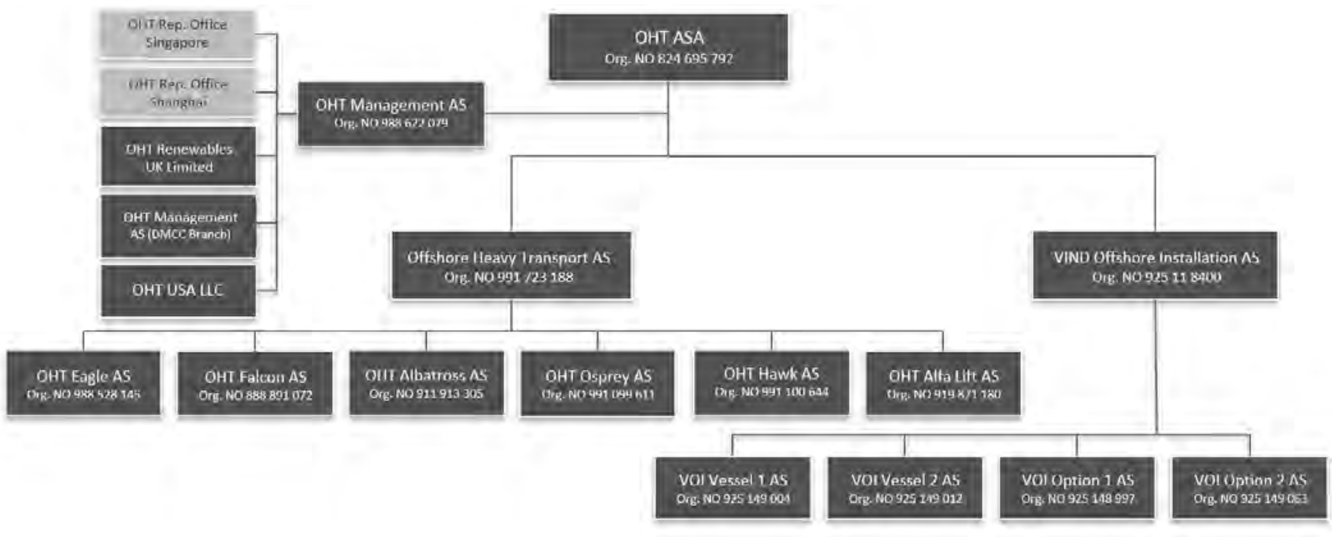
The global installation vessel jack-up fleet is highly fragmented without any clear market leader. Certain operators are clear turbine installation specialists, such as A2 Sea (Sea Challenger and Sea Installer, owned by DEME Offshore) and Fred. Olsen (Brave Tern, Bold Tern and Blue Tern), equipped with lower maximum weight lifting capabilities and high cranes, while others, such as Swire Blue Ocean, Van Oord and Jan de Nul have assumed a more generalist approach, targeting both turbines and foundations.

7.8 Group organisation

7.8.1 *Overview*

The Company is the parent company of the Group, with limited activity other than being the ultimate holding company, in addition to also being the financing vehicle of the Group. The Company has two direct subsidiaries, Vind Offshore Installation AS and Offshore Heavy Transport AS, both of which are wholly-owned and incorporated in Norway.

The figure below sets forth an overview of the Group's current organisational structure.



7.8.2 *OHT ASA*

OHT ASA is a Norwegian public limited liability company. The company was incorporated on 21 February 2020 with registration number 824 695 792. The company has limited activity other than being the holding company for the subsidiaries mentioned in sections 7.8.3 and 7.8.11 below. The company's registered address is Haakon VIIs gate 1, N-0161 Oslo, Norway.

7.8.3 *Offshore Heavy Transport AS*

Offshore Heavy Transport AS is a Norwegian private limited liability company. The company was incorporated on 18 September 2007 with registration number 991 723 188. The company has limited activity other than being the holding company for the subsidiaries mentioned in sections 7.8.4 to 7.8.10 below, in addition to also being the financing vehicle of these subsidiaries. The company's registered address is Haakon VIIs gate 1, N-0161 Oslo, Norway.

7.8.4 *OHT Eagle AS*

OHT Eagle AS is a Norwegian private limited liability company. The company was incorporated on 11 July 2005 with registration number 988 528 145. The company has no other activity than being the owner of the vessel Eagle and has no employees. The company is taxable in accordance with the Norwegian tonnage tax regime. The company's registered address is Haakon VIIs gate 1, N-0161 Oslo, Norway.

7.8.5 *OHT Falcon AS*

OHT Falcon AS is a Norwegian private limited liability company. The company was incorporated on 4 November 2005 with registration number 888 891 072. The company has no other activity than being the owner of the vessel Falcon and has no employees. The company is taxable in accordance with the Norwegian tonnage tax regime. The company's registered address is Haakon VIIs gate 1, N-0161 Oslo, Norway.

7.8.6 *OHT Osprey AS*

OHT Osprey AS is a Norwegian private limited liability company. The company was incorporated on 8 March 2007 with registration number 991 099 611. The company has no other activity than being the owner of the vessel Osprey and has no employees. The company is taxable in accordance with the Norwegian tonnage tax regime. The company's registered address is Haakon VIIs gate 1, N-0161 Oslo, Norway.

7.8.7 *OHT Hawk AS*

OHT Hawk AS is a Norwegian private limited liability company. The company was incorporated on 8 March 2007 with registration number 991 100 644. The company has no other activity than being the owner of the vessel Hawk and has no employees. The company is taxable in accordance with the Norwegian tonnage tax regime. The company's registered address is Haakon VIIs gate 1, N-0161 Oslo, Norway.

7.8.8 *OHT Albatross AS*

OHT Albatross AS is a Norwegian private limited liability company. The company was incorporated on 9 April 2013 with registration number 911 913 305. The company has no other activity than being the owner of the vessel Albatross and has no employees The company is taxable in accordance with the Norwegian tonnage tax regime. The company's registered address is Haakon VIIs gate 1, N-0161 Oslo, Norway.

7.8.9 *OHT Alfa Lift AS*

OHT Alfa Lift AS is a Norwegian private limited liability company. The company was incorporated on 27 October 2017 with registration number 919 871 180. The company is party to the shipbuilding contract entered into with China Merchants for the construction of the Alfa Lift offshore wind installation vessel, estimated to be delivered around year-end 2021. The company is also party to the Preferred Supplier Agreement for the Dogger Bank project and will have no other activity than being the owner of the vessel Alfa Lift. The company is taxable in accordance with the Norwegian tonnage tax regime. The company's registered address is Haakon VIIs gate 1, N-0161 Oslo, Norway.

7.8.10 *OHT Management AS*

OHT Management AS is a Norwegian private limited liability company. The company was incorporated on 20 July 2005 with registration number 988 622 079. The company is the commercial manager of all vessels owned by the Group and responsible for the marketing, chartering and operation of all vessels. The company is also the administrative manager of all shipowning companies and responsible for, inter alia, the day-to-day running of the business of the shipowning companies and management of financial and accounting matters. The company has 31 employees. The company's registered address is Haakon VIIs gate 1, N-0161 Oslo, Norway. OHT Management AS has branch offices or subsidiaries in Singapore, Shanghai, UK, Dubai and USA where local representatives are engaged.

7.8.11 Vind Offshore Installation AS

Vind Offshore is a holding company and the sole owner of VOI Management AS, VOI Option 1 AS, VOI Option 2 AS, VOI Option 3 AS and VOI Option 4 AS. Vind Offshore has a 91% ownership in VOI Vessel 1 AS and a 94% ownership in VOI Vessel 2 AS. VOI Management AS has a 3% ownership in VOI Vessel 1 AS. VOI Option 1 AS and VOI Option 2 AS each have a 3% ownership in VOI Vessel 1 AS, VOI Option 2 AS and VOI Option 3 AS each have a 3% ownership in VOI Vessel 2 AS. All companies are Norwegian private limited liability companies with no employees.

7.9 Dependency on contracts, patents, licenses, trademarks, etc.

7.9.1 Dependency on contracts

It is the Company's opinion that the Group's existing business and profitability are not dependent upon any contracts. However, the agreements described in Section 7.6 ("Material contracts"), are considered to be of material importance to the Group.

7.9.2 Dependency on patents, licenses, trademarks, etc

The Group's existing business and profitability is not dependent on any patents, licenses or other intellectual property.

7.10 Related party transactions

Below is a summary of the Group's related party transactions for the periods covered by the historical financial information included in this Admission Document as Appendix C, D and E and up to the date of this Admission Document.

- OHT Management AS leases office space in Oslo from Haakon VII's gate 1 ANS, a company controlled by Mrs. Marianne Heien Blystad and her husband Mr. Arne Blystad, whom, together with their immediate family, as of the date of this Admission Document, is the majority shareholder of the Company through Songa Corp.

- The Company has entered into an administrative management fee agreement with Arne Blystad AS, pursuant to which Arne Blystad AS provides certain administrative management services to the Group, inter alia corporate governance, accounting and IT services, based on a cost plus model.

- The technical management of all vessels owned by the Group is undertaken by Songa Shipmanagement Ltd., a company controlled by Mrs. Marianne Heien Blystad and her husband Mr. Arne Blystad, whom, together with their immediate family, as of the date of this Admission Document, is the majority shareholder of the Company through Songa Corp.

- The Company has entered into an agreement with Arne Blystad AS for the sub lease of office space at Haakon VIIs gate 1, 0161 Oslo, which is part of the same office space as the Company's offices.

For further information on related party transactions of the Group for the financial years 2019 and 2018, please refer to the Financial Statements (note 18 for 2019 and note 11 for 2018), included in this Admission Document as Appendix D and E.

7.11 Legal and arbitration proceedings

As of the date of this Admission Document, the Group is, involved in one legal proceeding as set out below:

7.11.1 Hawk incident

On 29 March 2019, the HTV Hawk was involved in a allision during transport into Ingalls, Mississippi. Following the allision certain legal actions have been initiated in the USA, however, the claims are covered and followed up by the vessel's insurances and the Company cannot see that legal actions shall have any negative effect for OHT Hawk AS or any other Group member.

Apart from the legal proceeding referred to above, the Group is not aware of any other proceedings pending or threatened which may have any significant effects on the Company's and/or the Group's financial position or profitability.

8 SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION

8.1 Introduction and basis for preparation

The Company has prepared an opening balance as of its incorporation date, which has been audited by the Company's auditor PricewaterhouseCoopers AS and is attached hereto as Appendix B.

The audited financial statements as of and for the years ending on 31 December 2019 and 31 December 2018 (the Financial Statements) have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Financial Statements are included herein as Appendix D and Appendix E, respectively. The Management Accounts are unaudited and are included herein as Appendix C.

The Financial Statements and the Management Accounts are referred to herein as the "Financial Information". Offshore Heavy Transport AS presents the Financial Information in USD (presentation currency).

The Financial Statements have been audited by the independent auditor of PricewaterhouseCoopers AS, as set forth in the auditor's report, which is included in the Financial Statements (see Appendix D and Appendix E). The auditor's reports do not include any qualifications.

The selected financial information presented in Section 8.2 to Section 8.6 below has been derived from the Financial Information and should be read in connection with, and is qualified in its entirety by reference to, the Financial Information included herein as Appendix C, Appendix D and Appendix E.

8.2 Summary of accounting policies and principles

For information regarding accounting policies and the use of estimates and judgments, please see note 1 in each of the Financial Statements, incorporated herein as Appendix D and Appendix E.

8.3 Selected statement of income

The table below sets out selected data from Offshore Heavy Transport AS' unaudited consolidated income statement for the six months ended 30 June 2020 and the audited consolidated income statement for the year ended 31 December 2019, with comparable figures for the year ended 31 December 2018.

(In USD thousand)	Six months ended 30 June	Year ended 31 December	
	2020	2019	2018
	(unaudited)	*(audited)*	*(audited)*
Gross freight revenue	40,684	61,128	56,484
Voyage related expenses	12,585	28,449	30,874
Net operating TC income	28,099	32,679	25,610
Operating expenses vessels	8,509	16,452	17,095
Employee benefit expenses	1,779	4,670	4,046
Depreciation	7,774	14,262	14,213
Administrative expenses	1,502	3,330	3,320
Total operating expenses	19,563	38,714	38,674
Net operating profit/(loss)	8,536	-6,034	-13,064
Interest income	40	344	327
Interest expenses	-482	-1,030	-170
Net foreign exchange gain/ (loss)	-17	-54	9
Other financial income/expenses	-218	-1,084	336

(In USD thousand)	Six months ended 30 June	Year ended 31 December	
	2020	2019	2018
	(unaudited)	*(audited)*	*(audited)*
Net financial income / (expenses)	-677	-1,824	502
Net profit before tax	7,859	-7,858	-12,561
Taxes	-	-230	395
Net profit / (loss)	7,859	-7,628	-12,957
Other comprehensive income		0	0
Remeasurements of post-employment benefit obligations	-	-	-50
Tax effect	-	-	11
Total comprehensive income / (loss)	7,859	-7,628	-12,996
Earnings per share			
Basic earnings per share, USD 1,000 per share	0.79	-0.76	-1.30
Diluted earnings per share, USD 1,000 per share	0.79	-0.76	-1.30
Average number of shares	10,000	10,000	10,000

8.4 Selected statement of financial position

The table below sets out selected data from Offshore Heavy Transport AS' unaudited consolidated balance sheet for the six months ended 30 June 2020 and the audited consolidated balance sheet for the year ended 31 December 2019, with comparable figures for the year ended 31 December 2018.

(In USD thousand)	Six months ended 30 June	Year ended 31 December	
	2020	2019	2018
	(unaudited)	*(audited)*	*(audited)*
Assets			
Non-current assets			
Deferred tax assets	1,242	1,242	985
Right-of-use assets	0	1,920	-
Vessels	190,490	190,556	165,495
Office furniture and equipment	390	325	279
Available for sale financial investment	51	53	777
Total non-current assets	192,172	194,096	167,536
Current assets			
Bunkers Inventory	3,242	2,421	4,640

(In USD thousand)	Six months ended 30 June	Year ended 31 December	
	2020	2019	2018
	(unaudited)	*(audited)*	*(audited)*
Costs to fulfil contract	1,328	1,417	520
Trade receivables	9,674	6,813	5,998
Other receivables	7,961	5,344	2,435
Total receivables	17,636	12,158	8,433
Cash and cash equivalents	11,491	9,456	11,092
Total current assets	33,697	25,451	24,684
Total assets	225,869	219,547	192,220
Equity and Liabilities			
Equity			
Share capital	36	36	36
Share premium	1,931	1,779	1,779
Other reserves	0	-344	-344
Retained earnings	175,173	167,755	175,383
Total equity	177,140	169,226	176,854
Liabilities			
Long-term lease liability	0	1,426	-
Total long-term liabilities	0	1,426	-
Short-term lease liability	0	554	-
Short-term interest-bearing debt	13,915	24,831	-
Accounts payable	3,039	5,184	4,158
Taxes payable	-228	62	123
Other current liabilities	32,003	18,264	11,085
Total current liabilities	48,729	48,896	15,366
Total liabilities	48,729	50,322	15,366
Total equity and liabilities	225,869	219,547	192,220

8.5 Selected statement of cash flows

The table below sets out selected data from Offshore Heavy Transport AS' unaudited consolidated statement of cash flows for the six months ended 30 June 2020 and the audited consolidated statement of cash flows for the year ended 31 December 2019, with comparable figures for the year ended 31 December 2018.

(In USD thousand)	Six months ended 30 June 2020 (unaudited)	Year ended 31 December 2019 *(audited)*	2018 *(audited)*
Profit before tax	7,859	-7,859	-12,561
Taxes paid	-291	-120	-56
Depreciation	7,774	13,879	14,213
Depreciation Right-of-use-assets		383	
Change in inventories	-821	2,219	-841
Change in receivables	-5,439	-815	-2,690
Change in payables	-2,672	1,026	1,107
Effects of exchange rate changes	-	-4	3
Change in pension liability	-	-	-393
Change in other provisions	14,397	4,092	8,000
Net cash flow from operating activities	20,807	12,803	6,782
Investments in vessels and other assets	-7,772	-38,987	-26,445
Net cashflow used in investing activities	-7,772	-38,987	-26,445
Proceeds from short term borrowings	5,000	25,000	-
Repayment of leasing debt	-16,000	-451	-
Net cash flow used in financing activities	-11,000	24,549	-
Net change in cash and cash equivalents	2,035	-1,635	-19,663
Cash and cash equivalents at beginning of the period	9,456	11,092	30,755
Cash and cash equivalents at end of period	11,491	9,456	11,092

8.6 Selected statement of changes in equity

Changes in equity is presented in the equity note of the financial statements as of and for the year ending on 31 December 2019 and 2018. An overview is included below.

(In USD thousand)	Issued capital	Share premium	Other reserves	Retained earnings	Total
Change of accounting principles				469	469
Balance as at 1 January 2018	36	1,779	-344	188,379	189,850
Profit for the year				-12,957	-12,957
Other comprehensive income:					
Re-measurements				-50	-50
Tax effect				11	11
Equity per 31 December 2018	36	1,779	-344	175,383	176,854
Balance as at 1 January 2019	36	1,779	-344	175,383	176,854
Profit for the year				-7,628	-7,628
Equity per 31 December 2019	36	1,779	-344	167,755	169,226

8.7 Significant changes in the Group's financial or trading position

Other than the Private Placement, the Group has not carried out any transactions after the last audited financial statements that represent a change of more than 25% in its total assets, revenue or profit or loss.

8.8 Material borrowings

On 18 March 2019, Offshore Heavy Transport AS entered into an agreement with Skandinaviska Enskilda Banken ("SEB") for a revolving credit facility of USD 30 million (the "Facility"). The maturity date of the Facility is 31 December 2020. Offshore Heavy Transport AS has received indicative term sheets for the refinancing of the Facility and is confident that it will be able to secure a refinancing of the Facility prior to the Facility's maturity date. Offshore Heavy Transport AS, is together with its subsidiaries, jointly and severally liable for the loan. As security for the Facility the Group has pledged shares in the vessel-owing subsidiaries. The loan has floating interest at Libor +3,75%.

The loan agreement includes customary financial covenants as follows:

- Minimum consolidated liquidity shall at all times be the higher of (i) USD 5,000,000 and (ii) USD 1,000,000 per collateral vessel;
- a minimum value clause which means the aggregated fair market value of the collateral vessels shall at all times be at least equal to 200 % of the outstanding amount under the Facility;
- the working capital shall at all times be greater than USD 0; and
- a minimum equity ratio shall at all times be at least 40%.

The Group is in compliance with the above covenants. Other than the above, the Group does not have any loans.

8.9 Grants

The Group has not received any grants during the period covered by the Financial Statements and up to the date of this Admission Document.

8.10 Working capital statement

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Admission Document.

9 THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND OTHER CONSULTANTS

9.1 Introduction

The General Meeting is the highest decision-making authority of the Company. All shareholders of the Company are entitled to attend and vote at General Meetings and to table draft resolutions for items to be included on the agenda for a General Meeting.

The overall management of the Company is vested with its Board of Directors and the Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business ensuring proper organization, preparing plans and budgets for its activities ensuring that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Company's Chief Executive Officer (the "CEO"), is responsible for keeping the Company's accounts in accordance with existing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner. In addition, the CEO must, according to Norwegian law, brief the Board of Directors about the Company's activities, financial position and operating results at a minimum of one time per month.

9.2 The Board of Directors

9.2.1 General

The Articles of Association provide that the Board of Directors shall comprise between three and seven board members, as elected by the Company's shareholders in an ordinary or extraordinary general meeting (as applicable).

The Company's registered business address, Haakon VIIs gate 1, 0161 Oslo, Norway, serves as business address for the members of the Board of Directors in relation to their directorship in the Company.

9.2.2 The composition of the Board of Directors

The names and positions of the members of the Board of Directors are set out in the table below.

Name	Function	Served since	Term expires	Shares
Rune Magnus Lundetræ	Chairperson	9 September 2020	AGM 2022	Yes[1]
Marianne Heien Blystad	Director	9 September 2020	AGM 2022	Yes[2]
Fredrik Platou	Director	9 September 2020	AGM 2022	Yes[3]

1 Rune Magnus Lundetræ has, through his wholly owned company Lunde3 Holding AS, been granted 407,574 warrants, each exercisable to one Share at a strike price equal to the nominal value of the Share

2 Marianne Heien Blystad and her husband, Arne Blystad, each owns 50% of Songa Holding AS which in turn controls the Company's largest shareholder, Songa Corp.

3 Fredrik Platou has subscribed for 75,000 Shares in the Private Placement.

9.2.3 Brief biographies of the Board Members

Set out below are brief biographies of members of the Board of Directors, including their managerial expertise and experience, in addition to an indication of any significant principal activities performed by them outside of the Company.

Rune Magnus Lundetræ, Chairperson

Mr. Lundetræ is the founder of Vind Offshore Installation AS and its concept and business model. Lundetræ served as Deputy Chief Executive Officer and Chief Financial Officer of Borr Drilling Ltd. from December 2016 to December 2019. From August 2015 to December 2016, he was Managing Director and Head of Oil Services of DNB Markets, the investment banking subsidiary of DNB, Norway's largest financial services group. From 2012 to June 2015, he served as Chief Financial Officer of Seadrill Ltd, the world's largest offshore driller.

Lundetræ graduated as Certified Public Accountant (Statsautorisert Revisor) from Norwegian School of Management (NHH) in 2004. He also holds a M.Sc. in Management from London School of Economics and a B.A (Hons) in Finance from University of Newcastle (UK).

Marianne Heien Blystad, Director

Mrs. Blystad is a Norwegian lawyer who works in Ro Sommernes law firm. She has previsously worked in Nordia law firm, Bull & Co law firm, Citibank AS Oslo, Eksportfinans ASA and Spencer Finance Corporation, USA. In addition to her masters in law, Mrs. Blystad holds a master in business and economics. Mrs. Blystad holds the position of Chairman or board member in most companies within the Blystad Group. Mrs. Blystad is a Norwegian citizen, and resides in Oslo, Norway.

Fredrik Platou, Director

Mr Platou has more than 15 years of international board and management experience, and is currently CEO in Arne Blystad AS. He has been employed in key positions in various investments on behalf of the Blystad Group since 2006.

9.3 Management

9.3.1 General

As of the date of this Admission Document, the Group's senior management team consists of six individuals. The names of the members of the management and their respective positions are presented in the table below.

Name	Position	Employed since	Shares	Options held
Torgeir E. Ramstad	Chief Executive Officer	2015	Yes[1]	Yes[1]
Tom Erik Jebsen	Chief Financial Officer	2011	Yes[2]	Yes[2]
Bertil Rognes	Head of Cargo Management	2009	N/A	No
Roald Kaper	Head of Chartering	2016	N/A	No
Trond Kjetil Nodberg	Head of Business Development & Tendering	2018	N/A	No
Bjarne Birkeland	Head of Vessel Management	2018	N/A	No

1 Torgeir E. Ramstad has been granted 407,574 warrants, each exercisable to one Share at a strike price equal to the nominal value of the Share. Mr. Ramstad has subscribed for 50,000 Shares in the Private Placement and also has a bonus agreement as the Group CEO whereby he may be entitled to 347,372 Shares.

2 Tom Erik Jebsen will be granted 203,787 warrants, each exercisable to one Share at a strike price equal to the nominal value of the Share. Mr. Jebsen has subscribed for 100,000 Shares in the Private Placement.

The Company's registered business address, Haakon VIIs gate 1, 0161 Oslo, Norway, serves as business address for the members of the Company's senior management team in relation to their employment with the Group.

9.3.2 Brief biographies of the management

Torgeir E. Ramstad, Chief Executive Officer

Mr. Ramstad is Chief Executive Officer of OHT Management AS. He has extensive top level management experience from offshore contracting, construction and marine operations in the oil & gas and renewables sectors. Mr. Ramstad holds a M.Sc. degree in marine engineering and naval architecture from NTNU in Trondheim.

Tom Erik Jebsen, Chief Financial Officer

Mr. Jebsen is the Chief Financial Officer of OHT Management AS. Prior to this Mr. Jebsen was CFO of Songa Offshore SE and has worked nine years with Frontline and the John Fredriksen Group AS CFO. Before his time with Frontline, Mr. Jebsen worked for Tschudi & Eitzen and Dyno. Mr. Jebsen serves as a board member in Sparebanken Sør. Mr. Jebsen holds a M.Sc degree in civil engineering from NTNU and an MBA degree from UC Berkeley, USA.

Bertil Rognes, Head of Chartering

Mr. Rognes is Head of Cargo Management of OHT Management AS and has previous experience from Eitzen Chemical as a Technical Projects Director for an extensive ship newbuilding program, account manager at Lloyds, and Naval Architect at Aker Maritime. He received his M.Sc. from NTNU in Trondheim.

Roald Kaper, Head of Chartering

Mr. Kaper is Head of Chartering of OHT Management AS and has previous experience from Dockwise Shipping as Business Development Manager for Oceania, from Shell and Chevron as Transportation Lead for the Gorgon LNG project and with OHT as Area Manager Southeast Asia. He received his M.Sc from Delft University of Technology, The Netherlands.

Trond Kjetil Nodberg, Head of Business Development & Tendering

Mr. Nodberg is Head of Business Development and Tendering in OHT Management AS. He has 25 years of experience from marine engineering and contracting in the oil & gas sector and 7 years in the offshore wind sector. He has been working with Kvaerner, Technip, Norsk Hydro and Aibel in engineering positions and been VP Business Development with Seatower and Aker Marine Contractors. Mr. Nodberg holds a M.Sc degree in marine engineering and naval architecture from NTNU in Trondheim and an MBA degree from Bond University, Australia.

Bjarne Birkeland, Head of Vessel Management

Mr. Birkeland is Head of Vessel Management and Project Manager for the building process of the Alfa Lift design vessel in OHT Management AS. He has an extensive global experience from offshore contracting, construction, vessel management and marine operations within oil & gas-, renewable cable installation- and deep sea shipping sectors. Previously he has experience from Ocean Yield ASA, AMC/EMAS AMC, Wallenius Wilhelmsen and Shell International. Mr. Birkeland holds a M.Sc. degree in marine engineering and naval architecture from NTNU in Trondheim.

9.4 Share incentive schemes

The Group has not implemented a share option scheme. However, as mentioned in Sections 9.2.2 and 9.3.1, the Chairperson and CEO have both been granted 407,574 warrants and the CFO has been granted 203,787 warrants, each warrant being exercisable to one Share at a strike price equal to the nominal value of the Share. The Company expects to implement a management share incentive scheme following the Admission. Further, the CEO has a bonus agreement with the Company whereby he will be entitled to 347,372 Shares upon the completion of the Group's transformation from traditional heavy transportation to transportation and installation of offshore wind farms, such bonus to be triggered upon the effectiveness of the shipbuilding contract for the VIND 1 turbine installation vessel.

9.5 Employees and other consultants

As of the date of this Admission Document, the Group has 31 employees. The table below shows the development in the numbers of full-time employees over the last two years:

	Year ended 31 December	
	2019	2018
Number of employees[1]	24	22

1 Number of employees stated as the average for each financial year.

9.6 Benefits upon termination

No employee, including any member of the Company's senior management team, has entered into employment agreements which provide for any special benefits upon termination. Apart from Rune Magnus Lundetræ who has a service contract for provision of services to the Group, none of the members of the Board of Directors has service contracts with the Company. No member of the Board of Directors are entitled to any benefits upon termination of office.

9.7 Corporate governance

The Company is not subject to the Corporate Governance Code, but the Company intends over time to implement the recommendations of the Corporate Governance Code.

9.8 Conflicts of interests etc.

No member of the Board of Directors or Management has, or have had, as applicable, during the last five years preceding the date of the Admission Document:

- any convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the

administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or

- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his or her capacity as a founder, member of the administrative body or supervisory body, director or senior manager of a company.

To the Company's knowledge, there are currently no actual or potential conflicts of interest between the Company and the private interests or other duties of any of the Board Members and members of the Management, including any family relationships between such persons.

10 SHARE CAPITAL AND SHAREHOLDER MATTERS

10.1 Corporate information

The Company's legal name is OHT ASA and the Company's commercial name is OHT. The Company is a public limited liability company (Nw.: *aksjeselskap*), validly incorporated and existing under the laws of Norway and in accordance with the Companies Act. The Company is registered in the Norwegian Register of Business Enterprises with company registration number 824 695 792. The Company was incorporated on 21 February 2020.

The Company's registered business address is Haakon VIIs gate 1, 0161 Oso, Norway, which is the Group's principal place of business. The telephone number to the Company's principal offices is +47 21 01 34 50 and its website is "https://www.oht.no/".

The Shares are registered in book-entry form with VPS under ISIN NO 001 0893803. The Company's register of shareholders in VPS is administrated by the VPS Registrar, DNB Markets, Dronning Eufemias gate 30, Oslo, Norway. The Company's LEI-code is 984500D47BF2D47T7F41.

10.2 Legal structure

The Company is the parent company of the following subsidiaries.

Company name	Business reg. no.	Registered office	Activity	Ownership held by	Ownership interest
Offshore Heavy Transport AS	991 723 188	Haakon VIIs gate 1 0161 Oslo	Holding company	OHT AS	100%
Vind Offshore Installation AS	925 118 400	Øvre Holmegate 34A, N-4006 Stavanger	Holding company	OHT AS	100%
OHT Eagle AS	988 528 145	Haakon VIIs gate 1 0161 Oslo	Ship owning company	Offshore Heavy Transport AS	100%
OHT Falcon AS	888 891 072	Haakon VIIs gate 1, 0161 Oslo	Ship owning company	Offshore Heavy Transport AS	100%
OHT Osprey AS	991 099 611	Haakon VIIs gate 1, 0161 Oslo	Ship owning company	Offshore Heavy Transport AS	100%
OHT Hawk AS	991 100 644	Haakon VIIs gate 1, 0161 Oslo	Ship owning company	Offshore Heavy Transport AS	100%
OHT Albatross AS	911 913 305	Haakon VIIs gate 1, 0161 Oslo	Ship owning company	Offshore Heavy Transport AS	100%
OHT Alfa Lift AS	919 871 180	Haakon VIIs gate 1, 0161 Oslo.	Ship owning company	Offshore Heavy Transport AS	100%
OHT Management AS	988 622 079	Haakon VIIs gate 1, 0161 Oslo	Management company	Offshore Heavy Transport AS	100%
OHT Renewables UK Ltd	11732954	Bankside 300 Peachman Way, Norwich, NR7 0LB, England	UK Rep Office	OHT Management AS	100%
OHT USA LLC		2100 W Loop S, Suite 834, 77027 Houston TX, USA	US Rep Office	OHT Management AS	100%
VOI Management AS	925 148 970	Øvre Holmegate 34A, N-4006 Stavanger	Management company	Vind Offshore Installation AS	100%
VOI Vessel 1 AS	925 149 004	Øvre Holmegate 34A, N-4006 Stavanger	Ship owning company	Vind Offshore Installation AS VOI Option 1 AS VOI Option 2 AS VOI Management AS	91% 3% 3% 3%
VOI Vessel 2 AS	925 149 012	Øvre Holmegate 34A, N-4006 Stavanger	Ship owning company	Vind Offshore Installation AS VOI Option 3 AS VOI Option 4 AS	94% 3% 3%
VOI Option 1 AS	925 148 997	Øvre Holmegate 34A, N-4006 Stavanger	Option holding company	Vind Offshore Installation AS	100%

VOI Option 2 AS	925 149 063	Øvre Holmegate 34A, N-4006 Stavanger	Option holding company	Vind Offshore Installation AS	100%
VOI Option 3 AS	825 149 082	Øvre Holmegate 34A, N-4006 Stavanger	Potential option holding company	Vind Offshore Installation AS	100%
VOI Option 4 AS	925 149 195	Øvre Holmegate 34A, N-4006 Stavanger	Potential option holding company	Vind Offshore Installation AS	100%

The Group also has branch offices in Singapore, Shanghai and Dubai, all being branch offices of OHT Management AS. Apart from the above, there are no other entities within the Group. See Section 7.8 ("Group organisation") for more information on the subsidiaries.

10.3 Share capital and share capital history

10.3.1 Overview

As of the date of this Admission Document, the Company's registered share capital is NOK 9,376,133.40 divided into 93,761,334 Shares, each with a par value of NOK 0.10. All of the Company's shares have been issued under the Companies Act, and are validly issued and fully paid.

The Company has one class of shares, and accordingly there are no differences in the voting rights among the Shares. The Company's shares are freely transferable, meaning that a transfer of Shares is not subject to the consent of the Board of Directors or rights of first refusal. Pursuant to the Articles of Association, the Company's shares shall be registered in VPS.

10.3.2 Share capital history

The table below shows the development in the Company's share capital for the period covered by the Financial Statements to the date of the Admission Document. There have not been any other capital increases in the Company other than as set out in the table below, neither by way of contribution in cash or in kind for the period covered by the Financial Statements until the date of this Admission Document.

Date of registration	Type of change	Change in share capital (NOK)	New share capital (NOK)	Nominal value (NOK)	New number of total issued shares	Subscription price per share (NOK)
21 February 2020	Incorporation	30,000	30,000	30	1,000	60
11 September 2020	Share capital increase	970,020	1,000,020	30	33,334	30
18 September 2020	Share capital decrease	1,000,020	0	0	-	-
18 September 2020	Share capital increase	9,376,133.40	9,376,133.40	0,10	93,761,334	20

10.4 Ownership structure

As of the date of this Admission Document, the Company only has two shareholders, Songa Corp. and Lotus Marine AS. Following registration of the Private Placement in the Norwegian Register of Business Enterprises, the Company's twenty largest shareholders on record in the VPS will be:

#	Shareholder	Number of Shares	Per cent of share capital
1	Songa Corp.	62,510,681	51.73
2	Lotus Marine AS	31,250,653	25.86
3	SKAGEN AS	3,380,052	2.80
4	Klaveness Marine Finance	2,350,000	1.94
5	Nordea Investment Management ASA	2,275,000	1.88
6	Encompass Capital Advisors, LLC	2,257,500	1.87

7	KLP Kapitalforvaltning AS	1,426,740	1.18
8	Halvorsens Fabrikk As	1,354,500	1.12
9	LANSDOWNE PARTNERS (UK) LLP	1,354,500	1.12
10	Danske Capital Norge	875,000	0.72
11	Clipper AS	750,000	0.62
12	Anaxo Forvaltning AS	687,500	0.57
13	Mission	595,980	0.49
14	Seb Prime Solutions Sissener Ucits Fund	586,950	0.49
15	Torstein Tvenge	550,000	0.46
16	Tveco AS	550,000	0.46
17	DNB Asset Management AS	520,000	0.43
18	Surfside Holding AS	420,000	0.35
19	Pescara Invest	400,000	0.33
20	Toluma Norden AS	400,000	0.33
Total top 20		114,495,056	94.74
Others		6 352 978	5,26
Total		120,848,034	100

As of the date of this Admission Document and following registration of the Private Placement, no shareholder other than Songa Corp. and Lotus Marine AS holds or will hold more than 5% of the issued Shares.

As of the date of this Admission Document, the Company does not hold any treasury shares.

There are no arrangements known to the Company that may lead to a change of control in the Company.

10.5 Authorisations

10.5.1 Authorisation to increase the share capital

As at the date of this Admission Document, the Board of Directors has been granted authorisations to increase the share capital by a total of 60,424,008 new Shares, of which 1,042,116 Shares may be utilised in connection with the Company's acquisition of Vind Offshore, cf. Section 6.5.2 above, 347,372 Shares may be utilised in connection with the CEO's bonus agreement, cf. Section 9.4 above and the remaining Shares may be utilised in order to strengthen the Company's share capital.

10.5.2 Authorisation to acquire treasury shares

As at the date of this Admission Document, the Board of Directors does not hold any authorisations to acquire Shares in the Company.

10.6 Financial instruments

Other than as set out in Section 9.4 above, neither the Company nor any of the Company's subsidiaries has issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or its subsidiaries.

10.7 Shareholder rights

The Company has one class of shares in issue and all Shares provide equal rights in the Company, including the rights to any dividends. Each of the Company's shares carries one vote. The rights attached to the Shares are further described in Section 10.8 ("The Articles of Association") and Section 10.9 ("Certain aspects of Norwegian corporate law").

10.8 The Articles of Association

The Articles of Association are enclosed in Appendix A to the Admission Document. Below is a summary of the provisions of the Articles of Association as of 23 September 2020.

10.8.1 Objective of the Company

Pursuant to section 2, the Company's business objective is offshore activity, shipping and other economic operations, including acquisition, administration, leasing and sale of capital assets within the offshore and shipping industry, investment in shares, obligations and interest placements of any kind. The business may also be conducted through participation or cooperation with other companies.

10.8.2 Share capital and par value

Pursuant to section 3, the Company's share capital is NOK 9,376,133.40 divided into 93,761,334 shares, each with a nominal value of NOK 0.10.

The Shares shall be registered with a central securities depository (the Norwegian Central Securities Depository (VPS)).

10.8.3 The board of directors

Pursuant to section 4, the Board of Directors shall consist of between three and seven members, according to the shareholders' decision in a general meeting of the Company.

10.8.4 Restrictions on transfer of Shares

The Shares are freely transferable.

10.8.5 Signatory right

The signatory right lies with the Chairman of the Board solely, or two board members jointly.

10.8.6 General meetings

Documents relating to matters to be dealt with by the Company's general meeting, including documents which pursuant to law shall be included in or attached to the notice of the general meeting, do not need to be sent to the shareholders if such documents have been made available on the Company's website. A shareholder may nevertheless request that documents which relate to matters to be dealt with at the general meeting are sent to him/her.

The annual general meeting shall deal with and decide the following matters:

- Approval of the annual accounts and the annual report, including distribution of dividend; and
- Any other matters, which according to the law or the articles of association fall within the responsibility of the general meeting.

The Board of Directors may decide that shareholders who wish to participate at the general meeting provides prior notice to the Company within a set deadline, which can be no earlier than five days prior to the general meeting.

10.9 Certain aspects of Norwegian corporate law

10.9.1 General meetings

Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that a written notice of annual general meetings setting forth the time of, the venue for and the agenda of the meeting is sent to all shareholders with a known address no later than fourteen days before the annual general meeting of a Norwegian public limited liability company shall be held, unless the articles of association stipulate a longer deadline, which is not currently the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy (the proxy holder is appointed at their own discretion). Although Norwegian law does not require the Company to send proxy forms to its shareholders for general meetings, the Company plans to include a proxy form with notices of general meetings. All of the Company's shareholders who are registered in the shareholders' register kept and maintained with VPS as of the date of the general meeting, or who otherwise have reported and documented ownership of shares in the Company, are entitled to participate at general meetings, without any requirement of pre-registration.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the Board of Directors considers it necessary. An extraordinary general meeting of shareholders shall also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 10% of the share capital demands such in writing. The requirements for notice and admission to the annual general meeting also apply to extraordinary general meetings.

10.9.2 Voting rights – amendments to the articles of association

Each Share carries one vote. In general, decisions shareholders are entitled to make under Norwegian law or the articles of association may be made by a simple majority of the votes cast. In the case of elections or appointments (e.g. to the board of directors), the person(s) who receive(s) the greatest number of votes cast is elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe for shares in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the articles of association, to authorize an increase or reduction of the share capital, to authorize an issuance of convertible loans or warrants by the Company or to authorize the Board of Directors to purchase Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at the general meeting in question. Moreover, Norwegian law requires that certain decisions, i.e. decisions that have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the articles of association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favour of the resolution, as well as the majority required for amending the articles of association.

In general, only a shareholder registered in VPS is entitled to vote for such Shares. Beneficial owners of the Shares that are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor is any person who is designated in the VPS register as the holder of such Shares as nominees.

There are no quorum requirements that apply to the general meetings.

10.9.3 Additional issuances and preferential rights

If the Company issues any new Shares, including bonus share issues, the Company's Articles of Association must be amended, which requires the same vote as other amendments to the articles of association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. The preferential rights may be deviated from by a resolution in the general meeting passed with the same vote required to amend the articles of association. A deviation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, by the same vote as is required for amending the articles of association, authorize the board of directors to issue new Shares, and to deviate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered par share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity or from the Company's share premium reserve and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to the Company's existing shareholders or by increasing the nominal value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States and other jurisdictions upon the exercise of preferential rights may require the Company to file a registration statement or prospectus in the United States under United States securities laws or in such other jurisdictions under the laws of such jurisdictions. Should the Company in such a situation decide not to file a registration statement or prospectus, the Company's U.S. shareholders and shareholders in such other jurisdictions may not be able to exercise their preferential rights. To the extent that shareholders are not able to exercise their rights to subscribe for new shares, the value of their subscription rights will be lost and such shareholders' proportional ownership interests in the Company will be reduced.

10.9.4 Minority rights

Norwegian law sets forth a number of protections for minority shareholders of the Company, including, but not limited to, those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the board of directors or the Company's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of the Company.

Minority shareholders holding 10% or more of the Company's share capital have a right to demand in writing that the Board of Directors convenes an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.

10.9.5 Rights of redemption and repurchase of shares

The share capital of the Company may be reduced by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not lead to the share capital with deduction of the aggregate nominal of the holding of own shares is less than the minimum allowed share capital of NOK 30,000, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the general meeting of the Company's shareholders cannot be granted for a period exceeding two years.

10.9.6 Shareholder vote on certain reorganizations

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the articles of association stipulate that, made available to the shareholders on the Company's website, at least one month prior to the general meeting to pass upon the matter.

10.9.7 Liability of board members

Board Members owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the Board Members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Board members may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the general meeting to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting passing upon the matter. If a resolution to discharge the Board Members from liability or not to pursue claims against such a person has been passed by a general meeting with a smaller majority than that required to amend the articles of association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Board Members from liability or not to pursue claims against the Board Members is made by such a majority as is necessary to amend the articles of association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

10.9.8 Indemnification of board members

Neither Norwegian law nor the Articles of Association contains any provision concerning indemnification by the Company of the Board of Directors. The Company is permitted to purchase insurance for the Board Members against certain liabilities that they may incur in their capacity as such.

10.9.9 Distribution of assets on liquidation

10.9.9.1 Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

10.10 Dividend policy

Pursuant to the Companies Act, dividends may only be declared to the extent that the Company has distributable funds and the Board of Directors finds such a declaration to be prudent in consideration of the size, nature, scope and risks associated with the Company's operations and the need to strengthen its liquidity and financial position. Apart from this, there are no formal restrictions on the distribution of dividends. However, as the Company's ability to pay dividends is dependent on the availability of distributable reserves, it is, among other things, dependent upon receipt of dividends and other distributions of value from its subsidiaries and companies in which the Company may invest. See Section 5 ("Dividends and dividend policy") for more information on the Company's dividend policy.

10.11 Takeover bids and forced transfers of shares

The Company is not subject to the takeover regulations set out in the Norwegian Securities Trading Act, or otherwise.

The Shares are, however, subject to the provisions on compulsory transfer of shares as set out in the Companies Act. If a public limited liability company alone, or through subsidiaries, owns 9/10 or more of the shares in the subsidiary, and may exercise a corresponding part of the votes that may be cast in the general meeting, the board of directors of the parent company may resolve that the parent company shall take over the remaining shares in the company. Each of the other shareholders in the subsidiary have the right to require the parent company to take over the shares. The parent company shall give the shareholders a redemption offer pursuant to the provisions of the Companies Act. The redemption amount will in the absence of agreement or acceptance of the offer be fixed by a discretionary valuation.

11 NORWEGIAN TAXATION

This section describes certain tax rules in Norway applicable to shareholders who are resident in Norway for tax purposes ("Norwegian Shareholders") and to shareholders who are not resident in Norway for tax purposes ("Non-Resident Shareholders"). The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Admission Document and are subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. The statements only apply to shareholders who are beneficial owners of Shares. Please note that for the purpose of the summary below, references to Norwegian Shareholders or Non-Resident Shareholders refers to the tax residency rather than the nationality of the shareholder. Please also note that the tax legislation in the Company's jurisdiction of incorporation and the tax legislation in the jurisdictions in which the shareholders are resident for tax purposes may have an impact on the income received from the Shares.

11.1 Norwegian shareholders

11.1.1 Taxation of dividends

Norwegian corporate shareholders (i.e. limited liability companies and similar entities) ("Norwegian Corporate Shareholders") are comprised by the Norwegian participation exemption. Under the exemption, only 3% of dividend income on shares in Norwegian limited liability companies is subject to tax as ordinary income (22% flat rate as of 2019), implying that such dividends are effectively taxed at a rate of 0.66%. For Norwegian Corporate Shareholders that are considered to be "Financial Institutions" under the Norwegian financial activity tax the effective rate of taxation for dividends is 0.75%.

Dividends distributed to Norwegian shareholders that are individuals (i.e. shareholders who are natural persons) Norwegian Individual Shareholders") are grossed up with a factor of 1.44 before taxed as ordinary income (22% flat rate, resulting in an effective tax rate of 31.68%) to the extent the dividend exceeds a tax-free allowance.

The tax-free allowance is calculated on a share-by-share basis for each individual shareholder on the basis of the cost price of each of the Shares multiplied by a risk-free interest rate. The risk-free interest rate is based on the effective rate of interest on treasury bills (Nw.: *statskasseveksler*) with three months maturity plus 0.5 percentage points, after tax. The tax-free allowance is calculated for each calendar year and is allocated solely to Norwegian Individual Shareholders holding Shares at the expiration of the relevant calendar year. Norwegian Individual Shareholders who transfer Shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the Share ("unused allowance") may be carried forward and set off against future dividends received on (or gains upon realization of, see below) the same Share. Any unused allowance will also be added to the basis of computation of the tax-free allowance on the same Share the following year.

The Shares will not qualify for Norwegian share saving accounts (Nw.: *aksjesparekonto*) for Norwegian Individual Shareholders as the shares are listed on Merkur Market (and not Oslo Børs or Oslo Axess).

11.1.2 Taxation of capital gains

Sale, redemption or other disposal of Shares is considered as a realization for Norwegian tax purposes.

Capital gains generated by Norwegian Corporate Shareholders through a realization of shares in Norwegian limited liability companies, such as the Company, are comprised by the Norwegian participation exemption and therefore tax exempt. Net losses from realization of Shares and costs incurred in connection with the purchase and realization of such Shares are not tax deductible for Norwegian Corporate Shareholders.

Norwegian Individual Shareholders are taxable in Norway for capital gains derived from realization of Shares, and have a corresponding right to deduct losses. This applies irrespective of how long the Shares have been owned by the individual shareholder and irrespective of how many Shares that are realized. Gains are taxable as ordinary income in the year of realization and losses can be deducted from ordinary income in the year of realization. Any gain or loss is grossed up with a factor of 1.44 before taxed at a rate of 22% (resulting in an effective tax rate of 31.68%. Under current tax rules, gain or loss is calculated per Share, as the difference between the consideration received for the Share and the Norwegian Individual Shareholder's cost price for the Share, including costs incurred in connection with the acquisition or realization of the Share. Any unused tax-free allowance connected to a Share may be deducted from a capital gain on the same Share, but may not create or increase a deductible loss. Further, unused tax-free allowance related to a Share cannot be set off against gains from realization of other Shares.

If a Norwegian shareholder realizes Shares acquired at different points in time, the Shares that were first acquired will be deemed as first sold (the "first in first out"-principle) upon calculating taxable gain or loss. Costs incurred in connection with the purchase and sale of Shares may be deducted in the year of sale.

A shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares in certain circumstances.

11.1.3 Net wealth tax

The value of Shares is taken into account for net wealth tax purposes in Norway. The marginal net wealth tax rate is currently 0.85% of the value assessed. The value for assessment purposes for the Shares is equal to 75% of the total tax value of the Company as of 1 January of the year before the tax assessment year. However, if the share capital in the Company has been increased or reduced by payment from or to shareholders in the year before the tax assessment year, the value for assessment purposes for the Shares is equal to 75% of the total tax value of the Company as of 1 January of the tax assessment year. The value of debt allocated to the Shares for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 75%).

Norwegian limited liability companies and similar entities are exempted from net wealth tax.

11.2 Non-Resident Shareholders

11.2.1 Taxation of dividends

Dividends paid from a Norwegian limited liability company to shareholders who are not resident in Norway for tax purposes ("Non-Resident Shareholders") are generally subject to Norwegian withholding tax at a rate of 25% unless the recipient qualifies for a reduced rate according to an applicable tax treaty or other specific regulations. The shareholder's country of residence may give credit for the Norwegian withholding tax imposed on the dividend.

If a Non-Resident Shareholder is carrying on business activities in Norway and the Shares are effectively connected with such activities, the Non-Resident Shareholder will be subject to the same taxation of dividend as a Norwegian Shareholder, as described above.

Non-Resident Shareholders that are corporate shareholders (i.e. limited liability companies and similar entities) ("Foreign Corporate Shareholders") resident within the EEA are exempt from Norwegian withholding tax pursuant to the Norwegian participation exemption provided that the Foreign Corporate Shareholder is genuinely established and carries out genuine economic activities within the EEA.

Dividends paid to Non-Resident Shareholders that are individual shareholders (i.e. shareholders who are natural persons) ("Foreign Individual Shareholders") are as the main rule subject to Norwegian withholding tax at a rate of 25%, unless a lower rate has been agreed in an applicable tax treaty. If the individual shareholder is resident within the EEA, the shareholder may apply to the tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share, see Section 11.1.1 ("Taxation of dividends"). However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

In accordance with the present administrative system in Norway, a distributing company will generally deduct withholding tax at the applicable rate when dividends are paid directly to an eligible Foreign Shareholder, based on information registered with the VPS. Foreign Corporate and Individual Shareholders must document their entitlement to a reduced withholding tax rate by (i) obtaining a certificate of residence issued by the tax authorities in the shareholder's country of residence, confirming that the shareholder is resident in that state, which cannot be older than three years, and (ii) providing a confirmation from the shareholder that the shareholder is the beneficial owner of the dividend. In addition, Foreign Corporate Shareholders must also present either (i) an approved withholding tax refund application or (ii) an approval from the Norwegian tax authorities confirming that the recipient is entitled to a reduced withholding tax rate or a withholding tax exemption. Such documentation must be provided to either the nominee or the account operator (VPS). Dividends paid to Non-Resident Shareholders in respect of nominee registered shares are not eligible for reduced treaty withholding tax rate at the time of payment unless the nominee, by agreeing to provide certain information regarding beneficial owner, has obtained approval for reduced treaty withholding tax rate from the Norwegian tax authorities. The withholding obligation lies with the company distributing the dividends and the Company assumes this obligation.

Foreign Individual and Corporate Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted. The same will apply to Foreign Corporate Shareholders that have suffered withholding tax although qualifying for the Norwegian participation exemption.

Non-Resident Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments.

11.2.2 Taxation of capital gains

Gains from realization of Shares by Non-Resident Shareholders will not be subject to tax in Norway unless the Non-Resident Shareholders are holding the Shares in connection with business activities carried out or managed from Norway. Such taxation may be limited according to an applicable tax treaty or other specific regulations.

11.2.3 Net wealth tax

Non-Resident Shareholders are not subject to Norwegian net wealth tax with respect to the Shares, unless the shareholder is an individual, and the shareholding is effectively connected with a business which the shareholder takes part in or carries out in Norway. Such taxation may be limited according to an applicable tax treaty.

11.3 Transfer taxes etc. VAT

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, issuance, disposal or redemption of shares. Further, there is no VAT on transfer of shares.

12 SELLING AND TRANSFER RESTRICTIONS

12.1 General

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares admitted to trading on Merkur Market.

The Company is not taking any action to permit a public offering of the Shares in any jurisdiction. Receipt of this Admission Document does not constitute an offer and this Admission Document is for information only and should not be copied or redistributed. If an investor receives a copy of this Admission Document, the investor may not treat this Admission Document as constituting an invitation or offer to it, nor should the investor in any event deal in the Shares, unless, in the relevant jurisdiction, the Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Admission Document, the investor should not distribute or send the same, or transfer Shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

12.2 Selling restrictions

12.2.1 United States

The Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States to QIBs in reliance on Rule 144A or pursuant to another available exemption from the registration requirements of the U.S. Securities Act; or (ii) outside the United States to certain persons in offshore transactions in compliance with Regulation S under the U.S. Securities Act, and, in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, the Merkur Advisors have represented and agreed that it has not offered or sold, and will not offer or sell, any of the Shares as part of its allocation at any time other than (i) within the United States to QIBs in accordance with Rule 144A or (ii) outside of the United States in compliance with Rule 903 of Regulation S. Transfer of the Shares will be restricted and each purchaser of the Shares in the United States will be required to make certain acknowledgements, representations and agreements, as described under Section 12.3.1 ("United States").

12.2.2 United Kingdom

Each Merkur Advisor has represented, warranted and agreed that:

a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA") in connection with the issue or sale of any Shares in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and

b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Shares in, from or otherwise involving the United Kingdom.

12.2.3 European Economic Area

In no member state (each a "Relevant Member State") of the European Economic Area (the "EEA") have Shares been offered and in no Relevant Member State will Shares be offered to the public pursuant to an offering, except that Shares may be offered to the public in that Relevant Member State at any time in reliance on the following exemptions under the EU Prospectus Regulation:

a) to persons who are "qualified investors" within the meaning of Article 2(e) in the EU Prospectus Regulation;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) per Relevant Member State, with the prior written consent of the Merkur Advisors for any such offer; or

c) in any other circumstances falling under the scope of Article 3(2) of the EU Prospectus Regulation;

provided that no such offer of Shares shall result in a requirement for the Company or Merkur Advisors to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplementary prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purpose of this provision, the expression an "offer to the public" in relation to any Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the an offering and the Shares to be offered, so as to enable an investor to decide to acquire any Shares.

This EEA selling restriction is in addition to any other selling restrictions set out in this Admission Document.

12.2.3.2 Other jurisdictions

The Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Switzerland, Japan, Canada, Australia or any other jurisdiction in which it would not be permissible to offer the Shares.

In jurisdictions outside the United States and the EEA where an offering would be permissible, the Shares will only be offered pursuant to applicable exceptions from prospectus requirements in such jurisdictions.

12.3 Transfer restrictions

12.3.1 United States

The Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this section.

Each purchaser of the Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Admission Document and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorized to consummate the purchase of the Shares in compliance with all applicable laws and regulations.

- The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act, or with any securities, regulatory authority or any state of the United States, subject to certain exceptions, may not be offered or sold within the United States.

- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Shares, was located outside the United States at the time the buy order for the Shares was originated and continues to be located outside the United States and has not purchased the Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Shares or any economic interest therein to any person in the United States.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The purchaser is aware of the restrictions on the offer and sale of the Shares pursuant to Regulation S described in this Admission Document.

- The Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.

- The Company shall not recognize any offer, sale, pledge or other transfer of the Shares made other than in compliance with the above restrictions.

- If the purchaser is acquiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements in behalf of each such account.

- The purchaser acknowledges that the Company, the Merkur Advisors and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the Shares within the United States purchasing pursuant to Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have acknowledged, represented and agreed that it has received a copy of this Admission Document and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorized to consummate the purchase of the Shares in compliance with all applicable laws and regulations.

- The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.

- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Shares, as the case may be.

- The purchaser is aware that the Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.

- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Shares, or any economic interest therein, as the case may be, such Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction meeting the requirements of Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The purchaser will not deposit or cause to be deposited such Shares into any depositary receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such Shares are "restricted securities" within the meaning of Rule 144(a) (3) under the U.S. Securities Act.

- The purchaser acknowledges that the Shares are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Shares, as the case may be.

- The purchaser acknowledges that the Company shall not recognize any offer, sale pledge or other transfer of the Shares made other than in compliance with the above-stated restrictions.

- If the purchaser is requiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

- The purchaser acknowledges that the these representations and undertakings are required in connection with the securities laws of the United States and that Company, the Merkur Advisor and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

12.3.2 European Economic Area

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Shares under, the offers contemplated in this Admission Document will be deemed to have represented, warranted and agreed to and with the Merkur Advisors and the Company that:

a) it is a qualified investor within the meaning of Articles 2(e) of the EU Prospectus Regulation; and

b) in the case of any Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) the Shares acquired by it in an offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Merkur Advisors have been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purpose of this representation, the expression an "offer to the public" in relation to any Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on terms of an offering and the Shares to be offered, so as to enable an investor to decide to acquire any Shares.

13 ADDITIONAL INFORMATION

13.1 Admission to Merkur Market

On 14 September 2020, the Company applied for Admission to Merkur Market. The first day of trading on Merkur Market is expected to be on or about 28 September 2020.

Neither the Company nor any other entity of the Group have securities listed on any stock exchange or other regulated market place.

13.2 Information sourced from third parties and expert opinions

In this Admission Document, certain information has been sourced from third parties. The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

The Company confirms that no statement or report attributed to a person as an expert is included in this Admission Document.

13.3 Independent auditor

The Company's independent auditor is PricewaterhouseCoopers AS (business registration number 987 009 713 and registered business address at Dronning Eufemias gate 71, 0194 Oslo, Norway). The partners of PricewaterhouseCoopers AS are members of The Norwegian Institute of Public Accountants (Nw.: *Den Norske Revisorforening*). PricewaterhouseCoopers AS has been the Group's independent auditor since 11 December 2012.

PricewaterhouseCoopers has not audited, reviewed or produced any report on any other information in this Admission Document.

13.4 Advisors

The Company has engaged Clarksons Platou Securities AS (business registration number 942 274 238, and registered business address at Munkedamsveien 62C, 0270 Oslo, Norway), DNB Markets, a part of DNB Bank ASA (business registration number 984 851 006, and registered business address at Dronning Eufemias gate 30, 0191 Oslo, Norway) Fearnley Securities AS (business registration number 945 757 647, and registered business address at Grev Wedels plass 9, 0107 Oslo, Norway), Skandinaviska Enskilda Banken AB (publ.) (business registration number 971 049 944, and registered business address at Filipstad Brygge 1, 0252 Oslo, Norway) and Pareto Securities AS (business registration number 956 632 374, and registered business address at Dronning Mauds gate 3, 0250 Oslo, Norway) as its Merkur Advisors.

Advokatfirmaet Thommessen AS (business registration number 957 423 248, and registered business address at Haakon VIIs gate 10, N-0116 Oslo, Norway) is acting as Norwegian legal counsel to the Company.

14 DEFINITIONS AND GLOSSARY OF TERMS

When used in this Admission Document, the following defined terms shall have the following meaning:

Admission	The admission to trading of the Company's shares on Merkur Market.
Admission Document	This admission document, dated 23 September 2020.
Appropriate Channels for Distribution	Has the meaning ascribed to such term under "Important Information".
Articles of Association	Articles of Association of the Company as of 23 September 2020.
Board of Directors	The board of directors of the Company.
Board Members	The members of the Board of Directors.
CEO	Chief Executive Officer.
China Merchants	China Merchants Industry Holdings Co., Ltd.
Companies Act	The Norwegian Public Limited Liability Companies Act of 13 June 1997 no 45 (as amended) (*Nw.: aksjeloven*).
Company	OHT ASA.
Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance last updated 30 October 2014.
Customers	Customers developing offshore wind farms.
EEA	European Economic Area.
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.
FID	Final Investment Decision.
FSMA	Financial Services and Markets Act 2000.
Financial Statements	The audited financial statements of Offshore Heavy Transport AS for the years ending 31 December 2019 and 31 December 2018.
Foreign Corporate Shareholders	Non-Resident Shareholders that are corporate shareholders (i.e. limited liability companies and similar entities).
Foreign Individual Shareholders	Non-Resident Shareholders that are individual shareholders (i.e. other shareholders than Foreign Corporate Shareholders).
Group	The Company together with its subsidiaries.
HoA	The Heads of Agreement between Vind Offshore and China Merchants for the construction of one plus one NG-14000XL-G vessel, entered into 29 July 2020.
HSEQ	Health, safety, environment and quality.
HTV	Heavy Transportation Vessels.
IFRS	International Financing Reporting Standards.
LEI	Legal Entity Identifier.
LIBOR	London Inter-bank Offered Rate.
IMO	International Maritime Organization.
Investments	Changes in customer expenditures.
Management	The members of the Group's senior management.
Management Accounts	The unaudited consolidated management accounts for Offshore Heavy Transport AS for the six months ended 30 June 2020.
Merkur Advisors	Clarksons Platou Securities AS, DNB Markets, a part of DNB Bank ASA, Fearnley Securities AS, Skandinaviska Enskila Banken AB (publ.) and Pareto Securities AS.
Merkur Market	The multilateral trading facility for equity instruments operated by Oslo Børs ASA.
Merkur Market Admission Rules	Admission to trading rules for Merkur Market as of December 2017.
Merkur Market Content Requirements	Content requirements for Admission Documents for Merkur Market as of January 2017.
MiFID II	EU Directive 2014/65/EU on markets in financial instruments, as amended.
MiFID II Product Governance Requirements	MiFID II, Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II and local implementing measures.
Negative Target Market	Has the meaning ascribed to such term under "Important Information".
Newbuildings	The wind installation vessels on order.
NGAAP	Norwegian Generally Accepted Accounting Principles.
NIBOR	Norwegian Interbank Offered Rate.
NOK	Norwegian kroner, the currency of the Kingdom of Norway.
Non-Resident Shareholders	Shareholders who are not resident in Norway for tax purposes.
NPA	National Planning Agency
Norwegian Corporate Shareholders	Shareholders who are limited liability companies (and certain similar entities) domiciled in Norway for tax purposes.

Norwegian Individual Shareholders...........	Norwegian Shareholders other than Norwegian Corporate Shareholders.
Norwegian Securities Trading Act...............	The Norwegian Securities Trading Act of 29 June 2007 no. 75 (as amended) (*Nw.: verdipapirhandelloven*).
Norwegian Securities Trading Regulation	The Norwegian Securities Trading Regulation of 29 June 2007 no 876 (as amended) (*Nw.: verdipapirforskriften*).
Norwegian Shareholders................................	Shareholders who are resident in Norway for tax purposes.
Oslo Børs (or OSE)	Oslo Børs ASA.
Positive Target Market	Has the meaning ascribed to such term under "Important Information".
Private Placement	The private placement consisting of a share capital increase for a total amount of NOK 541,734,000, by issuing 27,086,700 Shares, with a nominal value of NOK 0,10 each, at a subscription price of NOK 20 per Share.
Relevant Member State...................................	Each Member State of the European Economic Area which has implemented the EU Prospectus Directive.
Reorganization..	The contribution of the shares in Offshore Heavy Transport AS to the Company, against issue of 93,761,334 Shares in the Company to the shareholders of Offshore Heavy Transport AS, simultaneously with a write down of the existing share capital of the Company.
SBC..	The shipbuilding contract between OHT Alfa Lift AS and China Merchants for the construction and delivery of one semi-submersible offshore wind foundations installation vessel of Ulstein design, entered into on 10 June 2018.
Shares (or Share)	Shares in the capital of the Company, each with a nominal value of NOK 0.10, or any one of them.
Target Market Assessment	Negative Target Market together with the Positive Target Market.
USD..	United States Dollars, the currency of the United States.
United States (or US).......................................	The United States of America.
US Securities Act..	US Securities Act of 1993.
Vind Offshore..	Vind Installation Offshore AS.
VPS...	The Norwegian Central Securities Depository (*Nw.: Verdipapirsentralen*).
VPS Registrar	DNB Markets, a part of DNB Bank ASA.

* * *

APPENDIX A

ARTICLES OF ASSOCIATION

VEDTEKTER

FOR

OHT ASA

slik de lyder 17. september 2020
[frem til registrering av vedtatt kapitalforhøyelse]

§ 1 - Foretaksnavn

Selskapets navn er OHT ASA. Selskapet er et allmennaksjeselskap.

§ 2 - Virksomhet

Selskapets virksomhet er å drive offshorevirksomhet, skipsfart og annen økonomisk virksomhet, herunder erverv, forvaltning, belåning og salg av kapitalgjenstander innenfor offshore- og shippingvirksomhet, investering i aksjer, obligasjoner og interessentinnskudd av enhver art, samt deltakelse og finansiering av andre selskaper.

§ 3 - Aksjekapital

Aksjekapitalen er kr 9.376.133,40, fordelt på 93.761.334 aksjer, hver pålydende kr 0,10. Selskapets aksjer skal være registrert i Verdipapirsentralen.

§ 4 - Styre

Selskapets styre skal ha fra 3 til 7 medlemmer, etter generalforsamlingens nærmere beslutning.

§ 5 - Signatur

Selskapets firma kan tegnes av styrelederen alene eller to styremedlemmer i fellesskap.

§ 6 - Generalforsamling

På den ordinære generalforsamling skal følgende spørsmål behandles og avgjøres:

- Godkjennelse av årsregnskapet og utdeling av utbytte.
- Andre saker som etter loven eller vedtektene hører under generalforsamlingen.

Dokumenter som gjelder saker som skal behandles på generalforsamlingen, herunder dokumenter som i henhold til lov skal inntas i eller vedlegges innkallingen, trenger ikke sendes aksjeeierne dersom dokumentene gjøres tilgjengelig på selskapets hjemmeside. En aksjeeier kan likevel kreve å få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen.

Styret kan beslutte at aksjonærer som vil delta på generalforsamlingen må melde dette til selskapet innen en bestemt frist som ikke kan utløpe tidligere enn fem dager før generalforsamlingen.

* * * * *

APPENDIX B

AUDITED OPENING BALANCE FOR OHT ASA AS OF 21 FEBRUARY 2020

Opening balance as of 21 February 2020 for OHT ASA (former name Athomstart Invest 455 AS)

	NOK
Assets	
Cash and cash equivalents	60 000
Total assets	*60 000*
Equity and liabilities	
Share capital	30 000
Share premium	9 930
Total equity	*39 930*
Liabilities	
Stort-term liabilities	20 070
Total liabilities	*20 070*
Total equity and liabilities	*60 000*

Oslo, 11 September 2020

Rune Magnus Lundetræ Chairman	Marianne Blystad Board member
Fredrik Platou Board member	

Note 1

Athomstart Invest AS was founded 21 February 2020 and changed its name to OHT ASA on 10 September 2020. The purpose of the Company is to aquire 100% of the shares in Offshore Heavy Transport AS through contribution in kind equity transactions.

The opening balance has been prepared in accordance with the Norwegian Accounting Act and Norwegian generally accepted accounting principles. The audited opening balance including notes have been prepared due to requirements from Oslo Børs in relation to the planned listing of the Company's shares on Merkur Market.

Note 2 - Cash and Cash equivalents

Cash and cash equivalents include cash, bank deposits and other short-term deposits that are repayable on demand.

Note 3 - Other short term liabilities

Other short term liabilities include costs related to the incorporation which has been booked directly to equity.

To the Board of Directors of OHT ASA (former Athomstart Invest 455 AS)

Independent Auditor's Report

Opinion

We have audited the opening balance of OHT ASA (the Company), as at 21 February 2020, and notes to the financial statement (together "the financial statement").

In our opinion, the accompanying financial statement in all material respects, express the financial position of the Company as at 21 February 2020 with the accounting principles as set out in note 1 to the financial statement.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the Company as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to note 1 to the financial statement, which describes the purpose of the opening balance. The opening balance have been prepared based on requirements from the Oslo Stock Exchange.

Responsibilities of the Board of Directors for the Financial Statement

The Board of Directors (management) is responsible for the preparation in accordance with the accounting principles described in note 1, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statement.

pwc

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 11 September 2020
PricewaterhouseCoopers AS

Bjørn Lund
State Authorised Public Accountant

(This document is signed electronically)

Revisjonsberetning åpningsbalanse

Signers:

Name	*Method*	*Date*
Lund, Bjørn	BANKID_MOBILE	2020-09-11 20:35

APPENDIX C

UNAUDITED CONSOLIDATED MANAGEMENT ACCOUNTS OF OFFSHORE HEAVY TRANSPORT AS FOR THE SIX MONTHS ENDED 30 JUNE 2020

Offshore Heavy Transport

Consolidated statement of comprehensive income

USD 1 000

	1H 2020
OPERATING REVENUES	
Gross freight revenue	40 684
Voyage related expenses	12 585
OPERATING TC REVENUES	**28 099**
Purchase bargain gain	-
OPERATING EXPENSES	
Operating expenses vessels	8 509
Employee benefit expenses	1 779
Depreciation	7 774
Administrative expenses	1 502
TOTAL OPERATING EXPENSES	**19 563**
NET OPERATING PROFIT/ (LOSS)	**8 536**
FINANCIAL INCOME / (EXPENSES)	
Interest income from related parties	-
Interest income	40
Interest paid to related parties	0
Interest expenses	482
Net foreign exchange gain / (loss)	-17
Other financial income/expenses	-218
NET FINANCIAL INCOME / (EXPENSES)	**-677**
NET PROFIT BEFORE TAX	**7 859**
Taxes	-
NET PROFIT / (LOSS)	**7 859**
OTHER COMPREHENSIVE INCOME	
Remeasurements of post employment benefit obligations	-
Tax effect	-
TOTAL COMPREHENSIVE INCOME/(LOSS)	**7 859**
Earnings per share	
Basic earnings per share, USD 1 000 per share	0,79
Diluted earnings per share, USD 1 000 per share	0,79
Average number of shares	10 000

Offshore Heavy Transport

Consolidated statement of financial position

USD 1 000	June 20
ASSETS	
Non-current assets	

Deferred tax assets	1 242
Right-of-use-assets	0
Patents, licenses, trademarks and similar rights	
Goodwill	0
Vessels	190 490
Office furniture and equipment	390
Other investments	51
Total non-current assets	**192 172**
Current assets	
Bunkers inventory	**3 242**
Cost to fulfil contract	**1 328**
Receivables	
Trade receivables	9 674
Receivables related parties	0
Other receivables	7 961
Total receivables	**17 636**
Cash and cash equivalents	**11 491**
Total current assets	**33 697**
TOTAL ASSETS	**225 869**

Offshore Heavy Transport

Consolidated statement of financial position

USD 1 000

	June 20
EQUITY AND LIABILITIES	
Equity	
Paid-in capital	
Share capital	36
Share premium	1 931
Other reserves	0
Retained earnings	175 173
Total equity	**177 140**
Liabilities	
Long term accruals and liabilities	
Deferred tax liabilities	-
Pension liabilities	0
Lease liabiliteis long term	0
Long-term interest-bearing debt	0
Total long-term accruals and liabilities	**0**
Other non-current liabilities	
Long-term interest-bearing debt	0
Other non-current liabilities	0

Total non-current liabilities	**0**
Current liabilities	
Lease liabilities, short term	0
Short-term interest-bearing debt	13 915
Accounts payable	3 039
Taxes payable	-228
Public duties payable	
Liabilities to related parties	
Other current liabilities	32 003
Total current liabilities	**48 729**
Total liabilities	**48 729**
TOTAL EQUITY AND LIABILITIES	**225 869**

Offshore Heavy Transport

Consolidated cash flow statement

USD 1 000	**1H 2020**
Profit before tax	7 859
Purchase bargain gain	
Interest income	
Interest expense, net	
Taxes paid	-291
Depreciation/amortization	7 774
Change in inventories	-821
Change in receivables	-5 439
Change in payables	-2 672
Change in pension liability	-
Effect of change in fx	-
Change in other provisions	14 397
Net cash flow from operating activities	**20 807**
Acquisition, net cash acquired less cash consideration	-7 772
Investments in financial fixed assets	
Net cash flow used in investing activities	**-7 772**
Proceeds from long term borrowings	5 000
Proceeds from short term borrowings	-
Repayments of long term borrowings	-16 000
Repayments of bank borrowings	-
Repayments of related party liabilities	-
Interest paid	-
Dividends to shareholders	-
Repayments of equity	-
Net cash flow used in financing activities	**-11 000**
Net change in cash and cash equivalents	**2 035**
Cash and cash equivalents at beginning of period	9 456

Cash and cash equivalents at end of period	**11 491**

APPENDIX D

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OFFSHORE HEAVY TRANSPORT AS FOR THE YEAR ENDED 31 DECEMBER 2019

Offshore Heavy Transport AS

Consolidated Financial Statements 2019

Address:
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Norwegian Enterprise no: 991 723 188
www.oht.no

OFFSHORE HEAVY TRANSPORT AS - BOARD OF DIRECTORS' REPORT 2019

Offshore Heavy Transport AS and its subsidiaries (the Group) provide heavy transport services mainly for the Oil & Gas and offshore industry, offshore renewables as well as heavy construction and other industries requiring transportation of outsize cargos. The Company's five semi-submersible heavy transport vessels are capable of transporting some of the largest and heaviest cargos possible to transport by sea in the world today. The Company's headquarter is in Oslo, Norway.

The Company's strategy is to create shareholder value by providing high quality service to its customers and focus on safe and efficient operations with high utilization of the fleet.

On 10 June 2018 the Group signed a contract for building a new vessel, project Alfa Lift, designed for offshore wind foundation installation. Delivery date is expected to be second half of 2021.

The share capital consists of 10 000 shares at a nominal value of NOK 20. 6 667 shares are owned by Songa Corp, a company in the Blystad Group, and 3 333 are owned by Lotus Marine AS.

The Company has so far not experienced any significant negative effects due to the Covid 19 pandemic. No contracts have been cancelled and all vessels are operating according to plan. Precautions have been taken on board vessels, and crew changes and port calls have been more demanding. Any contamination on board a vessel could affect the ability to operate as planned. At the main office as all employees have been instructed to work from home since mid-March until further notice. Management is following the situation closely.

Financial results

The financial results for 2019 reflect the business activities of the Group.

At year-end 2019, the Group reported gross freight revenues of USD 61.1 million (USD 56.5 million in 2018) and operating (TC equivalent) revenues of USD 32.7 million (USD 25.6 million for 2018).

Net operating profit was USD -6.0 million (USD -13.1 million in 2018). The Group recorded net financial items of USD -1.8 million (USD 0.5 million in 2018). Net loss after tax amounted to USD -7.6 million (USD -13.0 million in 2018).

Net cash flow from operating activities was USD 12.8 million in 2019 (USD 6.8 million in 2018). Net cash flow used in investing activities amounted to USD -39.0 million (USD -26.4 million in 2018). Net cash flow used in financing activities amounted to USD 24.5 (USD nil in 2018). Thus, total net cash flow resulted in an ending cash balance of USD 9.5 million as at 31 December 2019.

The heavy transportation market

The market for semi-submersible heavy transportation is a niche market mainly providing services to the oil service, offshore renewables and heavy construction industries and is characterized by few suppliers. The cargoes are typically extremely large and heavy, and in most cases high-value constructions. The cargo base served by heavy transport vessels include:

- Offshore drilling rigs (both jack-ups and semi-submersible rigs)
- Floating production units (excluding self-propelled FPSO/FSOs)
- Oil field equipment and modules

- Offshore wind components
- Other cargoes, both floating and non-floating, including docks, dredging equipment, barges, cranes, prefabricated industrial modules and military equipment

The prices achievable for heavy transportation services have improved somewhat compared to the previous two years. The Company's investment in heavy transport shipping assets is based on an expectation of a long-term positive development in the demand for heavy transport services.

Fleet operation

Through-out 2019 all five vessels Eagle, Falcon, Osprey, Hawk and Albatross have been in operation and have carried out their transport assignments satisfactorily.

From beginning December 2018 until early 2020, all five vessels have been through their five-year special survey including dry-docking. While dry-docking each vessel has also installed exhaust gas scrubbers. The combined cost of these two programs has been USD 19.3 million.

Every cargo operation is carefully planned by the Company's operation and engineering department. Each loading and discharge operation is supervised by experienced load masters onboard the vessel.

Management agreements

The commercial management activities including chartering, contracting, vessel operation and scheduling are carried out by the Group's in-house commercial department, OHT Management AS.

Technical management is contracted to Songa Shipmanagement Ltd for all five vessels. Songa Shipmanagement Ltd has long experience in technical supervision and operation of vessels.

Crew management is subcontracted to Songa Crew Management Ltd.

Financing and liquidity

The Group had cash and cash equivalents of USD 9.5 million at the end of 2019 (USD 11.1 million end 2018). Total assets were USD 219.5 million (USD 192.2 million end 2018). Shareholders equity amounted to USD 169.2 million (USD 176.9 million end 2018). Current liabilities were USD 48.9 million (USD 15.4 million end 2018). The interest bearing debt at year-end 2019 amounted USD 24.8 million, nil at year end 2018. The equity ratio was77 % at the end of 2019 (92.0 % end 2018).

Interest bearing debt is a revolving credit facility of USD 30 million with Skandinaviska Enskilda Banken (SEB). Maturity date is 31 December 2020.

The Alfa Lift project will be financed by 30% upfront payments and the remaining 70% through an intended sale leaseback contract with the leasing company of the yard. As per date 20 percentage points of the upfront payments have been processed.

The Board of Directors confirm that the going concern assumption has been assessed and confirms that the assumption is valid, see also above regarding Covid 19.

Health, safety and environment (HSE)

The Company's objective is to ensure safe and secure operations. The business operates in compliance with national and international requirements and regulations. There have been six minor incidents on board the vessels during 2019 where three of these lead to short sick leave.
Investigations have been performed, and corrective actions have been done to prevent recurrence.

There have been no oil spills in 2019.

To reduce emissions from the vessels and prepare for IMO 2020, exhaust gas scrubbers have been installed on all vessels during 2019.

The company is certified to ISO9001:2015 and ISO14001:2015.

The working environment and team spirit are considered good. Of the directly employed personnel in the Group (headquarter), total sick-leave during the year was 1.7%.

The Company aims to be a workplace free from discrimination on the basis of gender, race or religion on matters such as pay, promotion and recruitment, and aims to offer equal opportunities to men and women. As of 31 December 2019, the Group had 24 employees.

Risk factors

The Company is exposed to market risks, risks related to operation of the vessels, financial risks and strategic risks.

Market risks include risks associated with the demand and supply for the Company's services as well as political risks. An important factor when evaluating the market risk is the expectations for future oil and gas activity. A decline in oil prices will not necessarily have a detrimental effect on the number of available cargos in the world, but prices could be negatively affected.

The Company's operational risks include perils particular to marine operations, including loss of cargo, capsizing, grounding, collision and loss and damage to the vessels from harsh weather conditions. Such circumstances may result in severe damages to the vessels and/or damage to other property, the environment or people. In the course of its activities, the Company may become involved in legal proceedings and disputes. All of these factors could have a significant impact on the Company's financial position.

The risk of increased bunkers prices is normally secured in the freight agreements. If not, hedging contracts are employed.

The Company is exposed to financial risks such as interest rate changes and currency exchange rate fluctuations, as well as credit risk related to customers and other financial counterparties being unable to honor their obligations, or liquidity risk if the customer is unable to honor its obligations. Financial risk is also related to the financing of the new building project. The Company has had only floating interest rates on its interest-bearing debt, and as such has been exposed to interest changes. As the functional currency in the subsidiaries is USD, the Company has some exposure to fluctuations in currency rates, however these are limited mainly to administrative expenses. The currency risk related to these administrative expenses are considered limited and has therefore not been hedged. The credit risk related to customers is reduced through the contract structure and the fact that the cargo is controlled by the Company until discharging.

Parent Company accounts (reported in NOK)

Offshore Heavy Transport AS is the holding Company in the Offshore Heavy Transport Group. The management and central administrative functions are performed by OHT Management AS.

Offshore Heavy Transport AS had nil in Other operating revenues in both 2019 and 2018. Net operating result was NOK -8.2 million (NOK -9.0 million in 2018).

The net financial items amounted to NOK 111.1 million in 2019 (NOK 42.6 million in 2018).
NOK 125.7 million (2018: NOK 34.0 million) was dividend and group contribution from subsidiaries.
NOK -14.0 million was net other financial expenses and NOK -0.6 million was net foreign exchange gain.

Net profit for 2019 was NOK 105.1 million, whereas there was a net profit of NOK 31.7 million in 2018.

As of 31 December 2019, total assets amounted to NOK 1 174.4 million (NOK 881.4 million in 2018).

Total equity at 31 December 2019 amounted to NOK 892.3 million (NOK 787.2 in 2018).

Outlook

The Management is continuously working closely with all relevant players to market the Company's services to secure new freight contracts for the vessels. The early signs of an uptick in the Oil and Gas market that was observed late 2017 took until late 2018 until it had observable positive influence on the number of jack-up rig moves. The market for other types of cargos remained relatively stable. Towards the end of 2018 and into 2019, there were clear signs of increasing activity levels in several segments. Common to all markets is that price levels have come down quite significantly – since the peak years, and we await clarity whether the cautious increases observed lately are sustainable. The above adds up to continued challenging market conditions, with an imbalance between supply and demand. The Company will continue to take a cautious approach going forward, with focus on consolidation of current market positions.

Covid-19 has led to substantially lower oil prices. If this lasts, it will have a negative impact on number of rig moves and other activities. Otherwise, Management does not consider Covid-19 to have substantial impact on other markets such as renewables.

Oslo, 14 May 2020

The Board of Directors

Arne Blystad Chairman	Liang Lui Deputy Chairman	Peng Zhou Board member
Tom Erik Jebsen Board member / CFO	Marianne H. Blystad Board member	Torgeir E. Ramstad Managing director

Consolidated statement of comprehensive income

USD 1 000

	Note	2019	2018
Gross freight revenue		61 128	56 484
Voyage related expenses	4	28 449	30 874
Net operating TC income		**32 679**	**25 610**
Operating expenses vessels	4	16 452	17 095
Employee benefit expenses	4, 12, 18	4 670	4 046
Depreciation	9, 10	14 262	14 213
Administrative expenses	4, 10	3 330	3 320
Total operating expenses		**38 714**	**38 674**
Net operating profit/(loss)		**-6 034**	**-13 064**
Interest income		344	327
Interest expenses	14	-1 030	-170
Net foreign exchange gain / (loss)	5	-54	9
Other financial income/expenses		-1 084	336
Net financial income/(expenses)		**-1 824**	**502**
Net profit before tax		**-7 858**	**-12 561**
Taxes	13	**-230**	395
Net profit/(loss)		**-7 628**	**-12 957**
Other comprehensive income			
Remeasurements of post-employment benefit obligations	12	-	**-50**
Tax effect	13	-	**11**
Total comprehensive income/(loss		**-7 628**	**-12 996**
Earnings per share			
Basic earnings per share, USD 1 000 per share	17	-0.76	-1.30
Diluted earnings per share, USD 1 000 per share	17	-0.76	-1.30
Average number of shares	15	10 000	10 000

Consolidated statement of financial position

USD 1 000

	Note	2019	2018
ASSETS			
Non-current assets			
Deferred tax assets	13	1 242	985
Right-of-use-asset	10	1 920	-
Vessels	9	190 556	165 495
Office furniture and equipment	9	325	279
Available for sale financial investment		53	777
Total non-current assets		**194 096**	**167 536**
Current assets			
Bunkers inventory	3	**2 421**	**4 640**
Cost to fulfil contract	2	**1 417**	**520**
Trade receivables	7, 19	6 813	5 998
Other receivables	7, 19	5 344	2 435
Total receivables		**12 158**	**8 433**
Cash and cash equivalents	6, 19	**9 456**	**11 092**
Total current assets		**25 451**	**24 684**
TOTAL ASSETS		**219 547**	**192 220**

Consolidated statement of financial position
USD 1 000

	Note	2019	2018
EQUITY AND LIABILITIES			
Equity			
Share capital	15, 16	36	36
Share premium	16	1 779	1 779
Other reserves	16	-344	-344
Retained earnings		167 755	175 383
Total equity	**15, 16**	**169 226**	**176 854**
Liabilities			
Long-term lease liability	10	1 426	-
Total long-term liabilities		**1 426**	**-**
Short-term lease liability	10	554	-
Short-term interest-bearing debt	14, 19	24 831	-
Accounts payable	19	5 184	4 158
Taxes payable	13	62	123
Other current liabilities	8, 19	18 264	11 085
Total current liabilities		**48 896**	**15 366**
Total liabilities		**50 322**	**15 366**
TOTAL EQUITY AND LIABILITIES		**219 547**	**192 220**

Oslo, 14 May 2020

The Board of Directors

Arne Blystad
Chairman

Liang Liu
Deputy Chairman

Peng Zhou
Board Member

Tom Erik Jebsen
Board member / CFO

Marianne H. Blystad
Board member

Torgeir E. Ramstad
Managing director

Consolidated cash flow statement

USD 1 000

	Note	2019	2018
Profit before tax		-7 859	-12 561
Taxes paid	13	-120	-56
Depreciation	9	13 879	14 213
Depreciation Right-of-use-assets	10	383	
Change in inventories		2 219	-841
Change in receivables		-815	-2 690
Change in payables		1 026	1 107
Effects of exchange rate changes		-4	3
Change in pension liability		-	-393
Change in other provisions		4 092	8 000
Net cash flow from operating activities		**12 803**	**6 782**
Investment in vessels and other assets	9	-38 987	-26 445
Net cash flow used in investing activities		**-38 987**	**-26 445**
Proceeds from short term borrowings		25 000	-
Repayment of leasing debt	10	-451	-
Net cashflow used in financing activities		**24 549**	**-**
Net change in cash and cash equivalents		**-1 635**	**-19 663**
Cash and cash equivalents at beginning of period		11 092	30 755
Cash and cash equivalents at end of period		**9 456**	**11 092**

Consolidated statement of changes in equity

USD 1 000

	Issued Capital	Share premium	Other reserves	Retained earnings	Total
Change of accounting principles				469	469
Balance as at 1 January 2018	36	1 779	-344	188 379	189 850
Profit for the year				-12 957	-12 957
Other comprehensive income:					
Re-measurements, see note 12				-50	-50
Tax effect				11	11
Equity per 31 December 2018	**36**	**1 779**	**-344**	**175 383**	**176 854**
Balance as at 1 January 2019	36	1 779	-344	175 383	176 854
Profit for the year				-7 628	-7 628
Equity per 31 December 2019	**36**	**1 779**	**-344**	**167 755**	**169 226**

Notes

Note 1 Corporate information

Offshore Heavy Transport AS (formerly Offshore Heavy Transportation AS/Albatross Investering AS), is a limited liability company incorporated and domiciled in Norway. The Company was incorporated 20 September 2007. The address of the main office is Haakon VIIs gate 1, 0161 Oslo. The Norwegian Enterprise no is 991 723 188.

The consolidated financial statements for the year ended 31 December 2019, were approved by the board of directors on 14 May 2020.

The principal activity of Offshore Heavy Transport AS (the parent company) is investing in and operating heavy transport vessels through its subsidiaries.

Note 2 Accounting policies

Basis of preparation
The consolidated financial statements for Offshore Heavy Transport AS (the Company) and its subsidiaries for the financial year 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments which have been measured at fair value.

The consolidated financial statements are presented in USD and all numbers are rounded to the nearest thousand, except where otherwise indicated.

Basis of consolidation
The consolidated financial statements comprise the financial statements of Offshore Heavy Transport AS and its subsidiaries (the "Group").

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.
All inter-company transactions and balances are eliminated in the consolidated financial statements.

Summary of significant accounting policies
Vessel revenue and expense recognition
Operating revenues are recognized when persuasive evidence of an agreement exist, the service has been delivered, fees are fixed and determinable, collection is probable and when other significant obligations have been fulfilled. Prepaid revenues not yet earned is reported as deferred revenue.

Revenues and expenses related to voyage charters as well as ship operating expenses, are recorded based on percentage of completion (the number of days the voyage lasted in the period). A voyage is defined as starting at loading, ending at discharging. Revenues are not allocated to ballast days.

Voyage related expenses include expenses such as bunkers, port cost, canal and strait dues, cribbing, grillage and seafastening, commissions etc.

Ship operating expenses include manning of the vessels, repair and maintenance.

Foreign currency
The consolidated financial statements are presented in USD, which is also the functional currency for the companies in the Group.

Transactions in foreign currencies are recorded at the exchange rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the financial position date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Inventories
Inventories mainly consist of bunkers and are recognized at cost. The consumption of bunkers is recognized in accordance with the first-in-first-out principle (FIFO).

Vessels and dry-docking
Vessels are stated at historical cost, less accumulated depreciation and impairment losses, if any. The cost of the vessels comprises its purchase price and any costs directly attributable to bringing the asset to be capable of operating in the manner intended by management. In situations where it can be clearly demonstrated that expenditures have resulted in an increase in the future economic benefits, the expenditures are capitalized to the vessels. Ordinary repairs and maintenance costs are expensed during the financial period in which they occur.

Depreciation is calculated on a straight-line basis, taking residual values into consideration. Drydocking is depreciated on a straight-line basis over the period until next similar drydocking.

Costs related to major inspections/classification (dry-docking) are recognized as part of the carrying amount of the vessels if certain recognition criteria are satisfied. The recognition is made when the dry-docking has been performed and is depreciated based on estimated time to the next dry-docking. Any remaining carrying amount of the cost of the previous inspection is derecognized.

The residual values and useful lives of the assets are reviewed and adjusted prospectively, if appropriate, at each financial position date. Residual values are estimated based on the vessels LDT (Light Deadweight Ton) and steel prices. As no reliable forward prices exist, the steel price is estimated to the price as of year-end. If prices have changed materially from last reporting period, the change is reflected in the financial statements.

Impairment of vessels
The vessels are reviewed for indication of impairment at each reporting date, and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. The recoverable amount is the higher of an asset's net selling price and its value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of disposal, while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets if possible, or else for the cash generating unit. Each vessel is considered to be one cash generating unit.

Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

Borrowing costs
Borrowing costs are capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset. Other borrowing costs are recognized as an expense when incurred.

Financial instruments
The Group classifies its financial instruments in the following categories; loans/receivables and other financial liabilities. The classification depends on the purpose for which the investments were made. Management determines the classification of its financial assets at initial recognition and re-evaluates the classification at each reporting date. The purchases and sales of financial assets are recognized on the trade date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables are carried at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the loans and receivables are de-recognized or impaired, as well as through the amortization process.

Financial position classification
Current assets and short-term liabilities include items due less than one year from the balance sheet date, and items related to the operating cycle. The current portion of long-term debt is included as current liabilities. Financially motivated investments in shares are classified as current assets, while strategic investments are classified as non-current assets. Other assets are classified as non-current assets. Financial liabilities are presented as current if the liability is due to be settled within 12 months after the financial position date, whereas liabilities with the legal right to be settled more than 12 months after the financial position date are classified as non-current.

Trade receivables and other receivables
Current trade receivables and other receivables are recorded at their nominal value less provisions for bad or doubtful debt. The Group regularly reviews its accounts and estimates the amount of uncollectible receivables and establishes an allowance for uncollectible amounts.

Trade payables and other payables
Current trade payables and other payables are recognized initially at cost and subsequently measured at fair value.

Cash, cash equivalents and cash flow statement
Cash represents cash on hand and deposits with bank that is callable on demand.

Cash equivalents represent short-term, highly liquid investments which are readily convertible into known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

The cash flow statement is prepared using the indirect method.

Financial liabilities
Interest-bearing debt is recognized at fair value when the Group becomes a party to the contractual provisions of the instrument, and subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on the settlement. Financial liabilities are derecognized from the financial position when the contractual obligation expires, is discharged or cancelled. Gains

and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest income/other financial income and interest/other financial expenses.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognizing of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Provisions
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as financial expense.

Share issuance
Share issuance costs related to a share issuance transaction are recognized directly in equity after deduction of tax.

Ordinary taxation
The vessel owning companies are all under the Norwegian tonnage tax regime, whereas OHT Management AS and the parent company are subject to the ordinary Norwegian taxation regime. Current income taxes are measured at the amount expected to be paid to (due from) authorities, deferred tax assets/liabilities are calculated based on temporary differences at the reporting date. Deferred tax assets are recognized to the extent that it is probable that they can be utilized in the future. Dividends and capital gains are taxed according to the Norwegian exemption model. Tonnage taxes are classified as operating expenses.

Related parties
Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also related if they are subject to common control or common significant influence.

Contingent liabilities
Contingent liabilities are defined as possible obligations that arise from past events whose existence depends on one or more future events not wholly within the control of the entity, or present obligations that are not recognized because it is not probable that they will lead to an outflow of resources.

Contingent liabilities are not recognized on the balance sheet unless arising from assuming assets and liabilities in a business combination. Significant contingent liabilities are disclosed unless the possibility of an outflow of resources embodying economic benefit is a remote one.

Contingent assets are not accounted for unless virtually certain.

Derivative instruments
Derivative instruments are implemented for the purpose of hedging operational and financial risks. The contracts are with highly rated and reputable financial institutions and commodities brokers, and do not meet criteria for hedge accounting.
Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in the fair value of any derivative instrument are recognized immediately in profit or loss and are included in voyage related expenses if operational, otherwise as financial income/expense.

Government grants

Government grants are recognized in the accounts if it is reasonable assurance that conditions will be met and grant will be received. The grants are recorded on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grant is intended to compensate.

Leases

The Group has adopted IFRS 16 Leases from 1 January 2019 using the simplified transition approach in accordance with IFRS 16.C5(b) and has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard.

Offshore Heavy Transport AS' lease agreements relates to lease of office space. These lease agreements usually have a lease period of 5 years, while several of the leases have a longer time frame. Some of the leases have extension options and this has been taken into account.

Until the 2018 financial year, leases of property, plant and equipment were classified as either finance leases or operating leases. For leases which had previously been classified as operating leases under the principles of IAS 17 Leases, the lease liability upon adoption of IFRS 16 is measured as the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The Group's weighted average incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 5.84 %.

The associated right-of use assets were measured at an amount equal to the lease liability.
In applying IFRS 16 for the first time, the Group has used the following practical expedients as permitted by IFRS 16:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics,
- reliance on previous assessments on whether leases are onerous,
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases
- the exclusion of operating leases of low value, and
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made when applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease.

The reclassifications and adjustments arising from the new leasing rules are recognized in the 1 January 2019 opening balance sheet. The net implementation effect is presented below.

USD 1 000	
Lease liability at 1 January 2019	2 107
Right-of-use-asset at 1 January 2019	2 017
Difference	-

The following table explains the reconciliation between the operating lease commitments as at 31 December 2018 ant the lease liabilities recognized as at 1 January 2019:

USD 1 000	
Operating lease commitments as at 31 December 2018	-
Lease liability recognised upon implementation of IFRS 16	-
Additions:	-
Material operating lease commitment as at 31 December 2018	-2 543
Undiscounted lease liability	-2 543
Effect of discounting lease commitment to net present value	437
Total lease liability as at 1. January 2019	**-2 107**
Of which are:	
Current lease liabilities*	-589
Non-current lease liabilities**	-1 518
Total lease liability as at 1 January 2019	**-2 107**

*Current lease liabilities are presented within "Lease liability ST portion".
**Non-current lease liabilities are presented within "Lease liability".

Right-of-use assets are presented within "Right-of-use-asset" and amounted to USD 2 107 as at 1 January 2019.

Significant accounting judgments, estimates and assumptions

Estimates

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that may affect assets, liabilities, revenues, expenses and information in notes to the financial statement. Estimates are management's best assessment based on information available at the date the financial statements are authorized for issue. Actual results may differ from these estimates. Such changes will be recognized when new estimates can be determined with certainty.

Depreciation and impairment of vessels

Depreciation is based on management estimates of the future life of the vessels and residual values. Estimates may change due to changes in scrap value, technological development, competition and environmental and legal requirements. Management reviews the future useful life of the vessels periodically taking into consideration the above mentioned factors. In case of changes in estimated useful lives and/or residual values, the depreciation of the vessels is adjusted prospectively.

Management assesses whether there are any indicators of impairment for all vessels and new building assets if any at each reporting date. These assets are tested for impairment when there are indications that the carrying amounts may not be recoverable. Management applies significant judgment to identify impairment indicators if any. An impairment loss shall be recognized if the recoverable amount of non-financial assets is less than the carrying amount. The recoverable amount of these assets are assessed by reference to the higher of value in use, being the net present value of future cash flows expected to be generated by the asset, and fair value less costs to dispose. Management applies significant judgment to estimate the future cash flows including determination of a reasonable discount rate to discount the estimated future cash flow. Changes in circumstances and in management's evaluations and assumptions may give rise to impairment losses in the relevant periods.

Revenue recognition

The Group recognizes voyage revenues and voyage related expenses proportionally over the estimated length of each voyage, on a loading to discharge basis. Cost related to fulfilment of the contract incurred prior to loading is capitalized as mobilization costs and amortized over the associated period for which revenue is recognized. At the time of the prior voyage discharge, management generally knows the next load port and expected second discharge port, ensuring that the calculation of voyage revenues and costs over time can be estimated with a satisfactory degree of accuracy.

Demurrage revenue is recognized at the time demurrage services have been rendered if it is considered probable that the Group will receive payment.

Segment information

The Group has only one segment, being the operation of five heavy transport vessels. Further, the Group has not specified segment information on a geographical basis as the Group is of the opinion that such information is not relevant for the Group, given that the vessels trade world-wide.

Events after financial position date

New information regarding the Group's situation on the financial position date is taken into account in the financial statements. Events occurring after the financial position date, that do not affect the Group on the financial position date but will affect the Group's situation in the future, are disclosed if significant.

New or amendments to standards

The following new or amendments to standards and interpretations have been issued and become effective during the current period. These include:

IFRS 16 – Leases, for periods beginning on or after 1 January 2019.

IFRS 16 was issued in January 2016. It has resulted in almost all leases being recognized on the balance sheet by lessees, as the distinction between operating and finance leases was removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term (less than 12 months) and low-value leases. The group has recognized leases on the balance sheet, the details can be found in note 10.

There are no other new or amended standards adopted by the group or parent company from 1 January 2019 or later.

New and revised standards – not yet effective

New or amendments to standards issued and become effective in years beginning on or after 1 January 2020, assuming European Union adoption:

There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

Note 3 Inventory of bunkers

The balance at 31 December consists of the vessels' inventory of bunkers and lube oil.

Note 4 Specification of expenses

USD 1 000	2019	2018
Voyage related expenses		
Port expenses	3 147	4 024
Bunker costs	20 104	22 494
Other voyage related expenses	5 198	4 356
Total	**28 449**	**30 874**
Vessel operating expenses		
Crewing expenses	9 099	9 731
Maintenance and stores	4 243	3 808
Insurance	830	699
Other operating expenses	2 281	2 856
Total	**16 452**	**17 095**
Employee benefit expenses		
Salaries (note 18)	3 264	2 967
Social security costs	491	556
Pension expenses (note 12)	351	-28
Other personnel expenses	564	550
Total	**4 670**	**4 046**
Number of staff	**24**	**22**
Administrative expenses		
Management fee (note 18)	519	524
Other fees	1 718	1 737
Travel expenses and membership fees	301	176
Other administrative expenses	792	883
Total	**3 330**	**3 320**
Audit fees (excluding VAT)		
Audit related fees	43	60
Other services	-	1
Total	**43**	**61**

Fees to the Group's auditors are included in administrative expenses.

Note 5 Specification of net foreign exchange gain/(loss)

USD 1 000	2019	2018
Foreign exchange gain	1 094	162
Foreign exchange loss	1 149	152
Net foreign gain/(loss)	**-54**	**9**

Note 6 Cash and cash equivalents

The Group's cash and cash equivalents are denominated in the following currencies as of 31 December:

USD 1 000	2019	2018
US Dollars	8 232	10 351
Norwegian kroner	1 297	542
Other currencies	-73	199
	9 456	**11 092**
Restricted cash		
Employee tax accounts	208	225
Total restricted cash	**208**	**225**

Interest income is earned at floating interest rates.

See also note 14 and 19 for further information.

Note 7 Total receivables

USD 1 000	2019 Carrying amount	2018 Carrying amount
Trade receivables	6 813	5 998
Other receivables	5 345	2 435
Total receivables	**12 158**	**8 433**

As of 31 December 2019, trade receivables of USD 0.4 million (2018: 2.2 million) were considered doubtful, thus provided for.

	2019	2018
Up to 3 months	6 806	5 939
3 to 6 months	-	-
More than 6 months	7	2 283

Trade receivables, receivables Group companies and other receivables are non-interest bearing. USD 4.0 million of outstanding trade receivables at 31 December 2019 has been paid in early 2020. The receivables are denominated in USD.

See also note 19.

Note 8 Other current liabilities

USD 1 000	2019	2018
Deferred revenue	8 805	5 338
Public Duties	361	381
Other current liabilities	9 099	5 366
Total	**18 264**	**11 085**

Other current liabilities are non-interest bearing.

See also note 19.

Note 9 Vessels and other fixed assets

USD 1 000	Heavy transport vessels	Docking	Vessel under construction and development asset	Other	Total
Cost at 1 January 2018	**197 215**	**13 884**	**2 062**	**387**	**213 547**
Additions 2018	3 098	2 241	21 028	181	26 548
Government grant	-	-	-297		-930
Disposed	-	-	-	-43	-43
Cost at 31 December 2018	**200 312**	**16 125**	**22 987**	**525**	**239 950**
Additions 2019	9 823	5 994	23 274	151	39 242
Government grant			-255		-255
Cost at 31 December 2019	**210 136**	**22 119**	**46 005**	**676**	**278 936**
Acc. Depr. at 1 January 2018	**50 710**	**9 089**	**-**	**201**	**60 000**
Depreciation 2018	11 942	2 187	-	84	14 213
Disposed				-38	-38
Acc. Depr. at 31 December 2018	**62 653**	**11 277**	**-**	**246**	**74 176**
Depreciation 2019	11 360	2 414	-	105	13 879
Acc. Depr. at 31 December 2019	**74 013**	**13 691**	**-**	**351**	**88 055**
Closing net book amount 2019	**136 122**	**8 428**	**46 005**	**325**	**190 881**

Assets are depreciated on a straight-line basis over their expected useful lives as follows:

Heavy transport vessels	5 - 12 years
Office furniture	5 years
Computer equipment	3 years

Certain components, such as costs recognized in connection with major classification/dry-docking and transportation equipment, have shorter useful lives.

Dry-docking	2.5 - 5 years

Indicators of vessel impairment has been assessed. The Management has concluded no indicators found as per 31 December 2019.

Note 10 Commitments and contingencies

The Group decided to dry dock the fleet as well as installing scrubbers on the fleet. The total costs are estimated to USD 19.3 million, USD 11.0 million to scrubbers incl. installation and USD 8.3 million to dry docking.
In addition, the subsidiary OHT Alfa Lift AS has entered into a shipbuilding contract. The company has committed to pay in total 30 % of the contract value upfront, of which 20% was paid as per 2019, the remaining 70% upon delivery in 2021. To finance the remaining 70 %, the company intend to enter into a sale leaseback contract with the leasing company of the yard.

USD 1 000

Commitments	2020	2021	Total
Dry docking of vessel (remaining payments)	1 070	-	1 070
Scrubber installation on the vessel (remaining payments)	1 969	-	1 969
Shipbuilding contract	20 574	132 900	153 474
Total	23 613	132 900	156 513

Moreover, the Group has lease contracts for offices that are recognized in the financial statements as per 31.12.2019. Annual lease cost for the office lease contracts is USD 0.8 million with a sublease to related parties of USD 0.2 million.

The Group implemented IFRS 16 1 January 2019. The implementation is further presented in note 2.

Amounts recognized in the balance sheet
USD 1 000

Right-of-use-assets	
Cost at 1 January 2019	**2 107**
Additions	196
Cost at 31 December 2019	**2 303**
Acc. Depr. at 1 January 2019	-
Depreciation	-383
Acc. Depr. at 31 December 2019	**-383**
Closing net book amount 2019	**1 920**
Lower of remaining lease term or economic life	5 years
Depreciation method	Linear

Lease liabilities	**31 December 2019**	**1 January 2019**
Current	-554	-589
Non-current	-1 426	-1 518
Total	- **1979**	**-2 107**

The leases do not have significant residual value guarantees. The leases do not contain restrictions on the Group's financing or dividend policy.

Amounts recognised in the statements of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

USD 1 000	2019	2018
Depreciation charge of Right-of-use-assets	383	-
Interest expense	126	0
The total cash outflow for leases in 2019 was	450	

The Group's leasing activities and how they are accounted for:
Offshore Heavy Transport Groups agreements consists of building leases. Building leases usually have a lease period of 5 years, while several of the building leases have a longer time frame. Some of the buildings have extension options and this has been taken into account.

Note 11 Investments in subsidiaries

The consolidated financial statements include the financial statements of Offshore Heavy Transport AS and its subsidiaries listed in the table below:

Subsidiary	Country of incorporation	Ownership share	Consolidated in the Group financial statements from:
OHT Eagle AS	Norway	100 %	11.09.2012
OHT Falcon AS	Norway	100 %	11.09.2012
OHT Osprey AS	Norway	100 %	11.09.2012
OHT Hawk AS	Norway	100 %	11.09.2012
OHT Albatross AS	Norway	100 %	09.04.2013
OHT Alfa Lift AS	Norway	100 %	13.11.2017
OHT Management AS	Norway	100 %	11.09.2012
OHT Renewables UK Ltd	United Kingdom	100 %	18.12.2018

The Norwegian subsidiaries have their main office in Oslo, Norway.

Note 12 Pension cost, funding and obligations

The subsidiary OHT Management AS has set up a defined contribution scheme with a life insurance company to provide pension benefits for its employees. The defined benefit scheme was phased out in 2018 and employees under this scheme were transferred to the contribution scheme. In 2018, the effect of this amounts to USD 305 thousand, and
remeasurements, net after tax USD -39 thousand, was booked to Equity through Other Comprehensive Income.

Note 13 Income tax

USD 1 000	2019	2018
Current income tax	27	86
Current income tax (taxes payable)*		
Deferred income tax		
Change in deferred tax	-269	266
Effect due to changed tax rate	12	32
Tax effect on re-measurements of pension obligations	-	11
Income tax expense/(income)	**-230**	**395**

*The difference to tax payable in the Consolidated statement of financial position is related to tonnage taxes which is classified as operating expenses and not included in income tax expense.

Reconciliation of total income tax expense during the year to the income tax expense at the statutory income tax rate applicable in Norway:

	2019	2018
Profit/(loss) before tax	-7 238	-12 561
Tax at Norway's statutory income tax rate of 22% (23 %)	-1 592	-2 889
Non-deductible expenses or non-taxable items (**)	1 362	3 284
Income tax income/(expense)	**-230**	**395**

** Relates mainly to non-taxable income within the tonnage tax system.

Deferred income tax at 31 December relates to the following:	2019	2018
Deferred tax assets		
Fixed assets	-	-3
Tax losses carried forward	1 242	988
Deferred tax assets	**1 242**	**985**
Deferred tax, opening balance	984	1 282
Income Statement change	257	-298
Deferred tax, ending balance 22%	**1 242**	**984**

The subsidiaries OHT Eagle AS, OHT Falcon AS, OHT Osprey AS, OHT Hawk AS, OHT Albatross AS and OHT Alfa Lift AS are organized under the Norwegian tonnage tax regime. The entering into the Norwegian tonnage tax regime did not result in tax for the Group. Dividend from the subsidiaries will be exempt from tax under the tax exemption regulations.

The tonnage taxed companies have tax losses carried forward totalling USD 0.3 million. Deferred tax has not been recognized in these companies. For the other Group companies, deferred tax is recorded in the balance sheet.

Most of the deferred tax assets relating to losses carried forward is expected to be reversed in the near future. Taxes payable in the balance sheet consists of tonnage tax and tax on financial income from shipping activities.

Note 14 Interest-bearing debt

At 18 March 2019 the Group entered into an agreement with Skandinaviska Enskilda Banken (SEB) for a revolving credit facility of USD 30 million. Maturity date is 31 December 2020. Offshore Heavy Transport AS is, together with its subsidiaries, jointly and severally liable for the loan. As security for the facility the Group has pledged shares in the vessel-owing subsidiaries. The loan has floating interest at Libor +3,75%.

The loan agreement includes customary financial covenants as follows:
Minimum consolidated liquidity shall at all times be the higher of (i)USD 5 000 000 and (ii)USD 1 000 000 per collateral vessel, a minimum value clause which means the aggregated Fair Market Value of the collateral vessels shall at all times be at least equal to 200% of the outstanding amount under the Credit Facility, the working capital shall at all times be greater than USD 0 and a minimum equity ratio shall at all times be at least 40.00%.

	2019		2018	
USD 1 000	Carrying amount	Fair value	Carrying amount	Fair value
Short term liabilities				
Short-term interest bearing debt	25 000	25 000	-	-
Total short term liabilities	**25 000**	**25 000**	-	-
Security				
Book value Shares in subsidiaries:				
OHT Eagle AS	6 990			
OHT Falcon AS	7 590			
OHT Hawk AS	5 858			
OHT Osprey AS	761			
OHT Albatross AS	29 659			
Total	**50 858**			
Maturity current borrowings				
Less than one year	25 000			

See also note 19.

Note 15 Shares and shareholders

Shareholders as of 31 December 2019	Number of shares	Ownership share
Songa Corp	6 667	66.67%
Lotus Marine AS	3 333	33.33%
Total number of shares	**10 000**	**100.00%**

See note 16 and 17.

Note 16 Share capital and premium

USD 1 000, unless otherwise specified	Number of shares	Share capital	Share premium
Ending balance 2018	**10 000**	**36**	**1 779**
Ending balance 2019	**10 000**	**36**	**1 779**

The share capital consists of 10 000 shares at a nominal value of NOK 20,-.

All issued shares are of equal rights. Offshore Heavy Transport AS is incorporated in Norway and the share capital is denominated in NOK.

There are no registered authorizations for issuing new share capital per 31 December 2019.

See also Consolidated statement of changes in equity.

Note 17 Earnings per share

Basic earnings per share is calculated by dividing net profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

There are no dilutive instruments outstanding for the periods presented.

USD 1 000, unless otherwise indicated	2019	2018
Net profit/(loss) attributable to the shareholders	-7 628	-12 966
Weighted average number of ordinary shares outstanding	10 000	10 000
Weighted average number of shares outstanding, diluted	10 000	10 000
Basic earnings per share	-0.76	-1.30
Diluted earnings per share	-0.76	-1.30

Note 18 Related parties

In the normal course of its business, the Group enters into transactions with related parties. Technical management for the vessels is provided by Songa Shipmanagement Ltd, a company in the Blystad group. The Group's main office is located in the Blystad group offices, and certain administrative/management services have been supplied from the Blystad group. All transactions with related parties have been made on an arm's length basis and are settled on a regular basis. Transactions with related parties are specified below:

USD 1 000, unless otherwise indicated	Year	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Blystad Group	2018	221	1 664	-	-
Blystad Group	2019	210	1 841	-	9

Remuneration to the board of directors and company management
There has been no remuneration in 2019 to the Board members. The Chief Executive Officer has received remuneration of USD 409 thousand and other management USD 196 thousand in 2019.

At the end of 2019, the Group had 24 employees.

The Group had no outstanding loans or guarantees for the benefit of board members or management in 2019.

The compensation structure for Offshore Heavy Transport AS is designed to contribute to value creation for the shareholders. The board determines the compensation system. For Group management, the compensation system comprised in 2019 of salary, bonus and a pension and insurance scheme.

Shares and stock options controlled by board members and Group management
Songa Corp, owning 66.67% of the shares at 31 December 2019 is under the control of the Chairman of the Board, Mr. Arne Blystad and Board member Mrs. Marianne H. Blystad. No shares or share options are owned by key management at 31 December 2019.

Note 19 Financial instruments and risk management

Financial instruments
Set out below is a comparison by category for carrying amounts and fair values of all of the Group's financial instruments that are carried in the financial statements. The following estimated fair value amounts of the financial instruments have been determined using appropriate market information and valuation methodologies.

	2019		2018	
USD 1 000	Carrying amount	Fair value	Carrying amount	Fair value
Trade receivables	6 813	6 813	5 988	5 998
Other receivables	5 344	5 344	2 435	2 435
Cash and cash equivalents	9 456	9 456	11 092	11 092
Accounts payable	5 184	5 184	4 158	4 158
Other current liabilities	18 264	18 264	11 208	11 208
Floating rate borrowings (at amortized cost)	24 831	24 831	-	-

			2019		2018	
Hedging object	Hedging instrument	Hedge included in P&L	P&L effect	Fair value	P&L effect	Fair value
Bunker cost	Commodity swap	Voyage related expenses	-	-	336	-

Financial risk
The Offshore Heavy Transport Group owns and operates heavy transport vessels for transport operations mainly for the Oil & Gas and offshore sector. The activity is international and exposed to financial market risks such as fluctuations in currency exchange rates, interest rates, the oil price (including bunkers) and other market risks that may influence the value of assets, liabilities and cash flows.

To reduce and manage these risks, management periodically assesses the Group's financial market risk in general, as well as evaluating hedging strategies for specific exposures as they arise. The primary strategy used for reducing the financial market risks is the use of derivatives, where appropriate.

Operational risk
Derivative instruments are only implemented for the purpose of hedging operational risks. The Group does not trade or use instruments with the objective of earning financial gains from bunkers price, interest rate or exchange rate fluctuations alone. The Group only employs conventional derivative instruments in contracts with highly rated and reputable financial institutions and commodities brokers. During 2018, the OHT Group entered into contracts for procurement of fixed quantities of bunkers at a price fixed in advance, with cash settlement at due date. The contracts were similarly designed and were valued at fair value through voyage related expenses in profit or loss.
Four contracts were settled in 2018. No contracts were effective during 2019. The contracts do not meet criteria for hedge accounting.

Normally, freight agreements with customers would involve a clause concerning bunkers compensation (to reduce risk for increase in prices). A few recent agreements do not involve this clause, however Management consider the risk for increase in prices as immaterial.

Currency risk exposure
The assets of the Group and the debt financing are denominated in USD and so are operating revenues. The exposure to currency risk of consolidated accounts in USD is related to the part of the operating and administrative expenses denominated in other currencies than USD.

Changes in the value of the USD relative to the currencies of the operating and administrative costs will expose the Group to currency risk. To manage the currency risk, the management reviews whether to enter into forward contracts for USD/NOK or USD/EUR or using other financial instruments to hedge this risk.

Effects in 1 000 USD	Change in USD/NOK	2019	2018
Sensitivity to change in USD/NOK			
Effect on operating costs, full year effect	0.10	100	134

For example a change from USD/NOK 8.90 to 8.80

The balance sheet items denominated in other currencies than USD are considered insignificant. No forward contracts or other derivative contracts were in effect at the balance date.

Exposure to fluctuations in the interest rate
The Group is by its loan facility with floating interest rate exposed to fluctuations in the interest rate. Any change in the interest rate will influence the interest cost of the group. No hedging instruments concerning interest rates were applied at the balance date.

Effects in 1 000 USD	Change in rate	2019	2018
Sensitivity to interest rate changes			
Effect on interest cost	1 %	250	-

Credit risk exposure
The Group is exposed to credit risk in the case that receivables from customers are not paid or in the case that contract parties to derivative contracts default their commitment. The customers are in general large companies with good credit rating. For new customers, a credit evaluation is performed. Furthermore, the freight contracts contain a payment clause ensuring pre-payment of a significant part of the contract value. Ageing analysis of past due balances is presented in note 7. Provision for doubtful accounts has been made at year-end.

Liquidity risk exposure
Liquidity risk may arise if a company is not able to pay its financial obligations at due date. The Group applies cash flow forecasting to ensure that the activities are adequately financed at all times. It is our view that the cash flow from operations and from planned financing activities is sufficient to fulfil all financial obligations.

Maturity analysis for financial liabilities recorded at the balance date:

2019

USD 1 000	0-1 Years	2 Years	3+ Years
Revolving loan facility	25 000		
Accounts payable	5 184	-	-
Related party liabilities	9	-	-

2018

USD 1 000	0-1 Years	2 Years	3+ Years
Accounts payable	4 158	-	-

Note 20 Events occurring after the reporting period

The Company has not experienced any significant negative effects from the Covid 19 pandemic so far. No contracts have been cancelled, and the vessels are operating as normal. The Management follows the situation very carefully.

Offshore Heavy Transport AS

Financial statements - parent company 2019

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Norwegian Enterprise no: 991 723 188
www.oht.no

Statement of income

NOK 1 000

	Note	2019	2018
OPERATING REVENUES			
OPERATING EXPENSES			
Administrative expenses	2	8 236	8 988
TOTAL OPERATING EXPENSES		**8 236**	**8 988**
NET OPERATING PROFIT/ (LOSS)		**-8 236**	**-8 988**
FINANCIAL INCOME / (EXPENSES)			
Group contribution from subsidiary		6 397	7 008
Dividend from subsidiaries		119 351	27 000
Other financial income	3,5	4 861	11 200
Other financial costs	3,5	-18 878	-7 176
Net foreign exchange gain / (loss)	3	-641	4 562
NET FINANCIAL INCOME / (EXPENSES)		**111 090**	**42 593**
NET PROFIT BEFORE TAX		**102 856**	**33 605**
Taxes	7	2 231	-1 868
NET PROFIT / (LOSS)		**105 087**	**31 737**
ALLOCATION OF NET PROFIT			
Transfer to other equity		105 087	31 737
TOTAL ALLOCATED NET PROFIT		**105 087**	**31 737**

Statement of financial position

NOK 1 000

	Note	2019	2018
ASSETS			
Fixed assets			
Intangible assets			
Deferred tax assets	7	9 797	7 566
Research and Development	7	29 852	19 635
Total intangible assets		**39 649**	**27 201**
Financial fixed assets			
Investments in other Group companies	6	678 414	612 813
Shares		-	6 356
Total Financial fixed assets		**678 414**	**619 169**
Total fixed assets		**718 063**	**646 370**
Current assets			
Receivables			
Receivables Group companies	5	429 128	223 590
Tax receivable	11	2 243	896
Other receivables		10 980	9 032
Total receivables		**442 351**	**233 519**
Cash and cash equivalents	**4**	**14 003**	**1 543**
Total current assets		**456 354**	**235 063**
TOTAL ASSETS		**1 174 418**	**881 432**

Statement of financial position

NOK 1000

	Note	2019	2018
EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital	8	200	200
Share premium	9	8 903	8 903
Other reserves	9	-	-
Retained earnings	9	883 217	778 130
Total equity	**8,9**	**892 319**	**787 232**
Liabilities			
Current liabilities			
Short-term interest-bearing debt	10, 12	218 069	-
Accounts payable		536	1 988
Liabilities to Group companies	11	63 200	91 978
Other current liabilities	4	294	234
Total current liabilities		**64 030**	**94 200**
Total liabilities		**282 099**	**94 200**
TOTAL EQUITY AND LIABILITIES		**1 174 418**	**881 432**

Oslo, 14 May 2020

The Board of Directors

Arne Blystad
Chairman

Liang Liu
Deputy Chairman

Peng Zhou
Board member

Tom Erik Jebsen
Board member / CFO

Marianne H. Blystad
Board member

Torgeir E. Ramstad
Managing director

Cash flow statement

NOK 1000	2019	2018
Profit/(loss) before tax	102 856	33 605
Change in receivables and prepayments	6 720	-6 706
Change in payables and accruals	-1 452	-3 248
Currency effects	-	-
Change in other provisions	-294 340	-18 023
Net cash flow from operating activities	**-186 217**	**5 628**
Investments in financial fixed assets	0	0
Investments in other assets	-12 460	-4 083
Net cash flow used in investing activities	**-12 460**	**-4 083**
Proceeds from short term borrowings	211 137	0
Net cash flow used in financing activities	**211 137**	**0**
Net change in cash and cash equivalents	**12 460**	**1 543**
Cash and cash equivalents at beginning of period	1 543	0
Cash and cash equivalents at end of period	**14 003**	**1 543**

Notes

Note 1 Accounting principles for the financial statements for Offshore Heavy Transport AS – parent accounts.

General
The financial reports are disclosed in accordance with the Norwegian Accounting Act and Norwegian general accepted accounting principles.

Currency
The parent company accounts are reported in Norwegian kroner (NOK) which is also the Functional currency for the parent company.

Estimates
Management has used estimates and assumptions that may have effect on revenues, costs and the valuation of assets and liabilities in the reporting of the annual financial statements.

Measurement of revenues and costs
Revenues are recognised as they are earned. Costs are recognised in the same reporting period as the corresponding revenues.

Classification and evaluation of balance sheet items
Current assets and short-term liabilities consist of items due for payment within a year after recognition. Other items are recognised as long-term assets or liabilities.

Current assets are valued at the lowest of acquisition value or fair value. Short-term liabilities are recorded at the nominal value at the time of recognition.

Non-current assets are valued to the value at the time of acquisition less accumulated depreciation. Long-term loans are valued at nominal value at the time of recognition.

Taxes
The income tax in the statement of income consists of taxes payable and changes in deferred taxes. Deferred tax and deferred tax benefit is calculated based on temporary differences between tax bases of assets and liabilities and their carrying amount for financial reporting purposes and is based on nominal values. Net deferred tax benefit is recorded in the statement of financial position only in the event that it is probable that it can be utilised in the foreseeable future.

Taxes payable and deferred taxes are recorded directly in equity in the event that the tax items are related to equity transactions.

Shares in subsidiaries
Investment in shares in subsidiaries is accounted for using the cost-method in the statutory accounts. An impairment loss is recognised if the fair value is lower than book value and this is viewed as non-temporary. The impairment loss is reversed to the degree that the fair value improves, and that the improvement is not assumed to be of a short-term nature.

Currency
Monetary items in foreign currency are recorded at year-end exchange rates, 8.7803 in 2019 and 8.6885 in 2018. Realised currency exchange gains or losses are recorded at the time of payment.

Cash, cash-equivalents and cash flow statement
Cash and cash-equivalents include cash, bank deposits and other short-term deposits that are repayable on demand.

Derivative instruments
Derivative instruments are implemented for the purpose of hedging operational and financial risks. The contracts are with highly rated and reputable financial institutions and commodities brokers, and do not meet criteria for hedge accounting.

Changes in fair value of the company's derivative instruments are recognized immediately in profit or loss and are included in other income or other expenses

Development Asset
Development assets are capitalized if it is probable that future economic benefits will flow to the entity, and if the cost can be measured reliably.

Government grants
Government grants are recognized in the accounts if it is reasonable assurance that conditions will be met, and grant will be received. The grant is recorded on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grant is intended to compensate.

The cash flow statement is prepared using the indirect method.

Note 2 Specification of sales, general and administration expenses

NOK 1 000

Administrative expenses	2019	2018
Salaries to Directors	-	-
Administration cost	8 149	8 950
Other operating costs	87	38
Total administrative expenses	**8 236**	**8 988**

The company had no employees in 2018, thus no occupational pension scheme pursuant to the occupational pension law.

Auditor's fees excluding VAT 1)	2019	2018
Audit fees	146	217
Audit related fees	-	10
Total	**146**	**224**

1) Fees to the auditor are included in administration costs

Note 3 Specification of financial items

NOK 1 000

Other financial income	2019	2018
Interest income from Group companies	2 719	6 875
Interest income others	2 143	1 531
Other financial income	-	2 794
Other financial income	**4 861**	**11 200**

Other financial costs	2019	2018
Interest cost to Group companies	-1 550	-5 818
Interest cost on loans	-8 015	-1 304
Other financial costs	-9 313	-55
Total financial costs	**-18 878**	**-7 176**

Foreign exchange gain/(loss)	2019	2018
Foreign exchange gain/(loss) re. intercompany loans/receivables	-205	3 275
Other foreign exchange gain/(loss)	-436	1 287
Total foreign exchange gain/(loss)	**-641**	**4 562**

Note 4 Cash and cash equivalents

NOK 1000
The Company's cash and cash equivalents are denominated in the following currencies as of 31 December 2019:

	2019	2018
US Dollars	1 860	1 143
Norwegian kroner	12 425	424
EUR	-281	-24
Total cash and cash equivalents	**14 003**	**1 543**

Offshore Heavy Transport AS is party to the corporate group account agreements with banks, thus being the formal owner of the net deposit of the account system at any point in time. The parent company and group net deposit in the group account system consists of the total deposits less the total overdraft of the participants. The net deposit balance of the group account system is at 31 December 2019 NOK 80 550 277 compared to NOK 63 343 113 in 2018.

The Cash and cash equivalents disclosed above and in the statement of cash flow, include no restricted cash.

Note 5 Receivables with due date no later than one year

NOK 1000	2019	2018
Dividend from subsidiaries, accrued	351 397	68 008
Intercompany short-term loans	77 331	155 582
Total	**429 128**	**223 590**

Interest bearing loan versus group companies carry interest at 3,54 % for NOK and 4,43 % for USD per annum. Repayment takes place according to agreement.
See also note 12.

Note 6 Investments in subsidiaries

NOK 1000
Investments in shares in subsidiaries are valued by the cost method.

Subsidiary	Country of incorporation	Established	Ownership interest	Share capital	Net book value
OHT Eagle AS	Norway	2005	100%	200	51 873
OHT Falcon AS	Norway	2005	100%	200	54 239
OHT Osprey AS	Norway	2007	100%	11 110	6 450
OHT Hawk AS	Norway	2007	100%	200	42 666
OHT Albatross AS	Norway	2015	100%	500	216 123
OHT Alfa Lift AS	Norway	2017	100%	60	301 397
OHT Management AS	Norway	2005	100%	111	5 767
OHT Renewables UK Ltd	UK	2018	100%	0	0
					678 414

The subsidiaries have their main office in Oslo, Norway.

Note 7 Taxes

NOK 1000

	2019	2018
Taxes payable		
Taxes related to group contribution	-	-
Deferred taxes		
Related to temporary differences	-2 231	1 868
Total taxes	-2 231	1 868

Reconciliation of tax expenses		
Net income before tax	102 856	33 605
Tax based on nominal tax rate 22% (23%)	22 628	7 729
Permanent differences	-24 859	-6 210
Effect of change tax rate from 23% to 22%	0	349
Net change in temporary differences	2 231	-1 868
Deferred tax benefit related to loss carry forward	-2 231	1 868
Total taxes	**-2 231**	**1 868**

Specification of deferred taxes		
Deferred tax asset		
Net loss carry forward	-44 533	-34 392
Basis of Deferred tax asset	**-44 533**	**-34 392**
Deferred tax asset	9 797	7 566

The company is the parent company of the Offshore Heavy Transport Group. The subsidiaries OHT Eagle AS, OHT Falcon AS, OHT Osprey AS, OHT Hawk AS, OHT Albatross AS and OHT Alfa Lift AS are organized within the Norwegian tonnage tax regime. Dividends from the subsidiaries will be exempt from tax within the exemption model.

Note 8 Shares and shareholders

Shareholders as of 31 December 2019	Number of shares	Ownership shares
Songa corp	6 667	66.67%
Lotus Marine AS	3 333	33.33%
Total number of shares	**10 000**	**100.00%**

The share capital consists of 10 000 shares at nominal value NOK 20.-, and of equal rights. Offshore Heavy Transport AS is incorporated in Norway and the share capital is denominated in NOK.

Note 9 Issued capital and reserves

NOK 1000

	Number of shares	Share capital	Paid-in premium	Other paid-in equity	Net earnings	Total
Ending balance 2017	10 000	200	8 903	-	746 392	755 496
Net profit/(loss) 2018	-	-	-	-	31 737	31 737
Ending balance 2018	10 000	200	8 903	-	778 129	787 233
Net profit/(loss) 2019					105 087	105 087
Ending balance 2019	10 000	200	8 903	-	883 217	892 319

Offshore Heavy Transport AS and its subsidiaries are consolidated in the financial statements of Songa Holding AS, enterprise no 988 909 109, Haakon VII's gate 1, 0161 Oslo.

Note 10 Short term interest bearing debt
NOK 1 000

	2019	2018
Short-term interest-bearing debt	218 068 648	-

On the 31st March 2019 the company entered into an agreement with Skandinaviska Enskilda Banken AB for revolving overdraft facility of USD 30 million.

Offshore Heavy Transport AS is, together with its subsidiaries, jointly and severally liable for the loan. The book value of the loan was USD 25 million as per 31 December 2019.

The company has used the value of its shares in the vessel-owing subsidiaries as security for the total loan facility.

One of the conditions of the loan agreement is that the companies together should have the minimum liquidity of USD 5 million. This condition was fulfilled at the 31st December 2019.

Note 11 Development Asset

NOK 1 000	Development asset
Cost at 1 January 2019	**19 635**
Additions 2019	12 460
Government grant	- 2 243
Cost at 31 December 2019	**29 852**

During 2019, 2018 and 2017 the Company has conducted research and development for new and improved methods for heavy transport services. The project has qualified for Government grant in the form of tax relief, under certain conditions that will be met. The estimated useful life for the project will be approximately 20 years.

Note 12 Related parties

The Group's main office is located with the Blystad group, and certain administrative services have been supplied from the Blystad group.

Funds have been transferred internally in the Group during the year; the Parent company has borrowed funds from some subsidiaries with good liquidity and lent to other subsidiaries in need of funds. All transactions with related parties have been made on an arm's length basis and are settled on a regular basis.

Transactions with related parties are specified below:

	Year	Sales to related parties	Purchases from related parties	Receivable from related parties	Debt to related parties
OHT Management AS	2018	-	8 121	25 591	27 059
OHT Management AS	2019	-	7 622	31 233	23 143
OHT Albatross AS	2018	-	-	2 175	2 616
OHT Albatross AS	2019	-	-	6 588	20 660
OHT Osprey AS	2018	-	-	60 307	20 054
OHT Osprey AS	2019	-	-	20 573	3
OHT Eagle AS	2018	-	-	64 408	-
OHT Eagle AS	2019	-	-	11 169	-
OHT Falcon AS	2018	-	-	34 402	-
OHT Falcon AS	2019	-	-	3 611	-
OHT Hawk AS	2018	-	-	-	41 323
OHT Hawk AS	2019	-	-	-	19 394
OHT Alfa Lift AS	2018	-	-	36 707	925
OHT Alfa Lift AS	2019	-	-	10 955	-

See also note 5.

Entity with significant influence over the Group:

The main shareholder of the company (66.67%), Songa Corp, is a company in the Blystad group. Songa Corp is under the control of the Chairman of the Board, Arne Blystad and Board member Marianne H. Blystad.

12 Financial Market Risk

General
The Company is exposed to financial market risk through its business activity. The activity is international and exposed to financial market risks such as fluctuations in currency exchange rates, interest rates, the oil price and other market risks that may influence the value of assets, liabilities and cash flows.

Currency risk
The main activity of the Company is investment in subsidiaries owning and operating heavy transport vessels for transport operations mainly for the oil & gas and offshore sectors. The underlying revenues and main part of the operating costs in the subsidiaries are denominated in USD. A part of the administrative costs in the Company is denominated in NOK. Management regularly reviews whether to hedge the currency exchange risk.

There were no forward contracts or other derivative contracts in effect at 31 December 2019.

Specific currency risk is related to the Company's internal loans from the subsidiaries denominated in USD.

Interest rate risk
The Company is by its loan facility with floating interest rate, and by its intercompany loans exposed to fluctuations in the interest rate. Any change in the interest rate will influence the interest cost of the Company. No hedging instruments concerning interest rates were applied at the balance date.

Credit risk
The Company is exposed to credit risk in the case that contract parties to derivative contracts defaults their commitment. The Company only employs conventional derivative instruments in contracts with highly rated and reputable financial institutions and commodities brokers.

13 Events occurring after the reporting period

The Company has not experienced any significant negative effects from the Covid 19 pandemic so far. No contracts have been cancelled, and the vessels are operating as normal. The Management follows the situation very carefully.

To the General Meeting of Offshore Heavy Transport AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Offshore Heavy Transport AS, which comprise:

- The financial statements of the parent company Offshore Heavy Transport AS (the Company), which comprise the statement of financial position as at 31 December 2019, the statement of income and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of the group, which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the group as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and fair presentation of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to https://revisorforeningen.no/revisjonsberetninger

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 14 May 2020
PricewaterhouseCoopers AS

Bjørn Lund
State Authorised Public Accountant
(This document is signed electronically)

Revisjonsberetning OHT morselskap og gruppen

Signers:

Name	***Method***	***Date***
Lund, Bjørn	BANKID_MOBILE	2020-05-14 15:23

APPENDIX E

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OFFSHORE HEAVY TRANSPORT AS FOR THE YEAR ENDED 31 DECEMBER 2018

Offshore Heavy Transport AS

Consolidated Financial Statements 2018

Address:
Offshore Heavy Transport AS
Haakon VIIs gt 1
0161 Oslo, Norway
Phone: +47 21 01 34 50
Fax: +47 22 83 21 51
Norwegian Enterprise no: 991 723 188
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OFFSHORE HEAVY TRANSPORT AS - BOARD OF DIRECTORS' REPORT 2018

Offshore Heavy Transport AS and its subsidiaries (the Group) provide heavy transport services mainly for the Oil & Gas and offshore industry, as well as heavy construction and other industries requiring transportation of outsize cargos. The Company's five semi-submersible heavy transport vessels are capable of transporting some of the largest and heaviest cargos possible to transport by sea in the world today. The Company's headquarter is in Oslo, Norway.

The Company's strategy is to create shareholder value by providing high quality service to its customers and focus on safe and efficient operations and high utilization of the fleet.

The share capital consists of 10 000 shares at a nominal value of NOK 20. 6 667 shares are owned by Songa Corp, a company in the Blystad Group, and 3 333 are owned by Lotus Marine AS.

Financial results

The financial results for 2018 reflect the business activities of the Group.

At year-end 2018, the Group reported gross freight revenues of USD 56.5 million (USD 78.7 million in 2017) and operating (TC equivalent) revenues of USD 25.6 million (USD 49.4 million for 2017).

Net operating profit was USD -13.1 million (USD 9.7 million in 2017). The Group recorded net financial items of USD 0.5 million (USD -0.1 million in 2017). Net profit after tax amounted to USD -13.0 million (USD 9.4 million in 2017).

Net cash flow from operating activities was USD 6.8 million in 2018 (USD 26.4 million in 2017). Net cash flow used in investing activities amounted to USD -26.4 million (USD -4.2 million in 2017). Net cash flow used in financing activities amounted to USD nil (USD nil in 2017). Thus, total net cash flow resulted in an ending cash balance of USD 11.1 million as at 31 December 2018.

The heavy transportation market

The market for semi-submersible heavy transportation is a niche market mainly providing services to the oil service and heavy construction industries and is characterized by few suppliers. The cargoes are typically extremely large and heavy, and in most cases high-value constructions. The cargo base served by heavy transport vessels include:

- Offshore drilling rigs (both jack-ups and semi-submersible rigs)
- Floating production units (excluding self-propelled FPSO/FSOs)
- Oil field equipment and modules
- Windmill components
- Other cargoes, both floating and non-floating, including docks, dredging equipment, barges, cranes, pre-fabricated industrial modules and military equipment

The prices achievable for heavy transportation services have improved somewhat compared to the last two years. The Company's investment in heavy transport shipping assets is based on an expectation of a long-term positive development in the demand for heavy transport services.

On 10 June 2018 the Group signed a contract for building a new vessel, project Alfa Lift, designed for offshore wind foundation installation. Delivery date is expected to be December 2020.

Fleet operation

Through-out 2018 all five vessels Eagle, Falcon, Osprey, Hawk and Albatross have been in operation and have carried out their transport assignments satisfactorily.

Every cargo operation is carefully planned by the Company's operation and engineering department. Each loading and discharge operation is supervised by experienced load masters onboard the vessel.

Management agreements

The commercial management activities including chartering, contracting, vessel operation and scheduling are carried out by the Group's in-house commercial department in OHT Management AS.

Technical management is contracted to Songa Shipmanagement Ltd for all five vessels. Songa Shipmanagement Ltd has long experience in technical supervision and operation of vessels.

Financing and liquidity

The Offshore Heavy Transport Group had cash and cash equivalents of USD 11.1 million at the end of 2018 (USD 30.8 million end 2017). Total assets were USD 192.2 million (USD 198.2 million end 2017). Shareholders equity amounted to USD 176.9 million (USD 189.4 million end 2017). Current liabilities were USD 15.4 million (USD 8.5 million end 2017). The Group did not have interest bearing debt at year-end 2018 nor at year end 2017. The equity ratio was 92,0% at the end of 2018 (95.5 % end 2017).

In March 2019 the Group signed an agreement with Skandinaviska Enskilda Banken (SEB) for a revolving credit facility of USD 30 million. Maturity date is 31 December 2020.

The Alfa Lift project will be financed by 30% upfront payments and the remaining 70% through a intended sale leaseback contract with the leasing company of the yard.

The Board of Directors confirm that the going concern assumption has been assessed and confirms that the assumption is valid.

Health, safety and environment (HSE)

The Company's objective is to ensure safe and secure operations. The business operates in compliance with national and international requirements and regulations. There have been four minor incidents on board the vessels during 2018 causing a total of 136 days of sick leave. One of the incidents leading to discharge and 130 days sick leave. Investigations are performed, and solutions being sought.

To reduce emissions from the vessels and prepare for IMO 2020, Management has decided to install exhaust gas scrubbers on all vessels. The first installation was completed in January 2019, the rest will be installed during 2019.

There has been a minor oil spill in 2018 from one of the cargos being loaded onto an OHT vessel. The spill was deemed a responsibility of the customer. This was immediately cleaned up by a local company.

The working environment and team spirit are considered good. Of the directly employed personnel in the Group (headquarter), total sick-leave during the year was 2.4%.

The Company aims to be a workplace free from discrimination on the basis of gender, race or religion on matters such as pay, promotion and recruitment, and aims to offer equal opportunities to men and women. As of 31 December 2018, the Group had 22 employees.

Risk factors

The Company is exposed to market risks, risks related to operation of the vessels, financial risks and strategic risks.

Market risks include risks associated with the demand and supply for the Company's services as well as political risks. An important factor when evaluating the market risk is the expectations for future oil and gas activity. A decline in oil prices will not necessarily have a detrimental effect on the number of available cargos in the world, but prices could be negatively affected.

The Company's operational risks include perils particular to marine operations, including loss of cargo, capsizing, grounding, collision and loss and damage to the vessels from harsh weather conditions. Such circumstances may result in severe damages to the vessels and/or damage to other property, the environment or people. In the course of its activities, the Company may become involved in legal proceedings and disputes. All of these factors could have a significant impact on the Company's financial position.

The risk of increased bunkers prices is normally secured in the freight agreements. If not, hedging contracts are employed.

The Company is exposed to financial risks such as interest rate changes and currency exchange rate fluctuations, as well as credit risk related to customers and other financial counterparties being unable to honor their obligations, or liquidity risk if the customer is unable to honor its obligations. Financial risk is also related to the financing of the new building project. The Company has had only floating interest rates on its interest bearing debt, and as such has been exposed to interest changes. As the functional currency in the subsidiaries is USD, the Company has some exposure to fluctuations in currency rates, however these are limited mainly to administrative expenses. The currency risk related to these administrative expenses are considered limited and has therefore not been hedged. The credit risk related to customers is reduced through the contract structure and the fact that the cargo is controlled by the Company until discharging.

Parent Company accounts (reported in NOK)

Offshore Heavy Transport AS is the holding Company in the Offshore Heavy Transport Group. The management and central administrative functions are performed by OHT Management AS.

Offshore Heavy Transport AS had Other operating revenues in 2018 amounting to NOK 0.0 million (NOK 1.0 million in 2017). Net operating result was NOK -9.0 million (NOK -5.1 million in 2017).

The net financial items amounted to NOK 42.6 million in 2018 (NOK 149.9 million in 2017).

NOK 34.0 million (2017: NOK 140.7 million) was dividend and group contribution from subsidiaries. NOK 4.0 million was net other financial expenses and NOK 4.6 million was net foreign exchange gain.

Net profit for 2018 was NOK 31.7 million, whereas there was a net profit of NOK 143.4 million in 2017.

As of 31 December 2018, total assets amounted to NOK 881.4 million (NOK 880.1 million in 2017).

Total equity at 31 December 2018 amounted to NOK 787.2 million (NOK 755.5 in 2017).

Outlook

The management is continuously working closely with all relevant players to market the Company's services to secure new freight contracts for the vessels. The early signs of an uptick in the Oil and Gas market that was observed late 2017 took until late 2018 until it had observable positive influence on the number of jack-up rig moves. The market for other types of cargos remained relatively stable. Towards the end of 2018 and into 2019, there were clear signs of increasing activity levels in several segments. Common to all markets is that price levels have come down quite significantly –since the peak years, and we await clarity whether the cautious increases observed lately are sustainable. The above adds up to continued challenging market conditions, with an imbalance between supply and demand. The Company will continue to take a cautious approach going forward, with focus on consolidation of current market positions.

Oslo, 26 April 2019

The Board of Directors

Arne Blystad Chairman	Stewart Gordon Smith Deputy Chairman	Peng Zhou Board member
Tom Erik Jebsen Board member / CFO	Marianne H. Blystad Board member	Torgeir E. Ramstad Managing director

Consolidated statement of comprehensive income

USD 1 000

	Note	2018	2017
Gross freight revenue		56 484	78 688
Voyage related expenses	4	30 874	29 308
Net operating TC income		**25 610**	**49 380**
Operating expenses vessels	4	17 095	18 013
Employee benefit expenses	4, 12, 18	4 046	4 767
Depreciation	9	14 213	13 937
Administrative expenses	4, 10	3 320	2 985
Total operating expenses		**38 674**	**39 702**
Net operating profit/(loss)		**-13 064**	**9 678**
Interest income		327	153
Interest expenses	14	-170	-82
Net foreign exchange gain / (loss)	5	9	-124
Other financial income/expenses		336	-56
Net financial income/(expenses)		**502**	**-109**
Net profit before tax		**-12 561**	**9 569**
Taxes	13	395	198
Net profit/(loss)		**-12 957**	**9 370**
Other comprehensive income			
Remeasurements of post-employment benefit obligations	12	-50	-93
Tax effect	13	11	22
Total comprehensive income/(loss)		**-12 996**	**9 300**
Earnings per share			
Basic earnings per share, USD 1 000 per share	17	-1.30	0.93
Diluted earnings per share, USD 1 000 per share	17	-1.30	0.93
Average number of shares	15	10 000	10 000

Consolidated statement of financial position

USD 1 000

	Note	2018	2017
ASSETS			
Non-current assets			
Deferred tax assets	**13**	**985**	**1 282**
Vessels	9	165 495	153 361
Office furniture and equipment	9	279	186
Available for sale financial investment		777	750
Total tangible assets		**166 551**	**154 297**
Total non-current assets		**167 536**	**155 579**
Current assets			
Bunkers inventory	3	**4 640**	**3 798**
Cost to fulfil contract	2	**520**	-
Trade receivables	7, 19	5 998	3 308
Other receivables	7, 19	2 435	4 809
Total receivables		**8 433**	**8 117**
Cash and cash equivalents	6, 19	**11 092**	**30 755**
Total current assets		**24 684**	**42 670**
TOTAL ASSETS		**192 220**	**198 249**

Consolidated statement of financial position

USD 1 000

	Note	2018	2017
EQUITY AND LIABILITIES			
Equity			
Share capital	15, 16	36	36
Share premium	16	1 779	1 779
Other reserves	16	-344	-344
Retained earnings		175 383	187 911
Total equity	**15,16**	**176 854**	**189 382**
Liabilities			
Pension liabilities	12	-	343
Total long-term liabilities		**-**	**343**
Accounts payable	19	4 158	3 052
Taxes payable	13	123	53
Other current liabilities	8, 19	11 085	5 419
Total current liabilities		**15 366**	**8 524**
Total liabilities		**15 366**	**8 867**
TOTAL EQUITY AND LIABILITIES		**192 220**	**198 249**

Oslo, 26 April 2019

The Board of Directors

Arne Blystad Chairman	Stewart Gordon Smith Deputy Chairman	Peng Zhou Board Member
Tom Erik Jebsen Board member / CFO	Marianne H. Blystad Board member	Torgeir E. Ramstad Managing director

Consolidated cash flow statement

USD 1 000

	Note	2018	2017
Profit before tax		-12 561	9 569
Taxes paid	13	-56	-111
Depreciation	9	14 213	13 937
Change in inventories		-841	1 343
Change in receivables		-2 690	-397
Change in payables		1 107	1 061
Effects of exchange rate changes		3	-
Change in pension liability		-393	-21
Change in other provisions		8 000	1 053
Net cash flow from operating activities		**6 782**	**26 434**
Investment in vessels and other	9	-26 445	-4 181
Net cash flow used in investing activities		**-26 445**	**-4 181**
Net change in cash and cash equivalents		**-19 663**	**22 253**
Cash and cash equivalents at beginning of period		30 755	8 502
Cash and cash equivalents at end of period		**11 092**	**30 755**

Consolidated statement of changes in equity

USD 1 000

	Issued capital	Share premium	Other reserves	Retained earnings	Total
Balance as at 1 January 2017	36	1 779	-344	178 612	180 082
Profit for the year				9 370	9 370
Dividend paid					
Other comprehensive income:					
Re-measurements, see note 12				-93	-93
Tax effect				22	22
Equity per 31 December 2017	36	1 779	-344	187 910	189 382
Change of accounting prinsiple				469	469
Balance as at 1 January 2018	36	1 779	-344	188 379	189 850
Profit for the year				-12 957	-12 957
Other comprehensive income:					
Re-measurements, see note 12				-50	-50
Tax effect				11	11
Equity per 31 December 2018	36	1 779	-344	175 383	176 854

Notes

Note 1 Corporate information

Offshore Heavy Transport AS (formerly Offshore Heavy Transportation AS/Albatross Investering AS), is a limited liability company incorporated and domiciled in Norway. The Company was incorporated 20 September 2007. The address of the main office is Haakon VIIs gate 1, 0161 Oslo. The Norwegian Enterprise no is 991 723 188.

The consolidated financial statements for the year ended 31 December 2018, were approved by the board of directors on 26 April 2019.

The principal activity of Offshore Heavy Transport AS (the parent company) is investing in and operating heavy transport vessels through its subsidiaries.

Note 2 Accounting policies

Basis of preparation

The consolidated financial statements for Offshore Heavy Transport AS (the Company) and its subsidiaries for the financial year 2018 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS). The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments which have been measured at fair value.

The consolidated financial statements are presented in USD and all numbers are rounded to the nearest thousand, except where otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Offshore Heavy Transport AS and its subsidiaries (the "Group").

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.
All inter-company transactions and balances are eliminated in the consolidated financial statements.

Summary of significant accounting policies

Vessel revenue and expense recognition

Operating revenues are recognized when persuasive evidence of an agreement exist, the service has been delivered, fees are fixed and determinable, collection is probable and when other significant obligations have been fulfilled. Prepaid revenues not yet earned is reported as deferred revenue.

Revenues and expenses related to voyage charters as well as ship operating expenses, are recorded based on percentage of completion (the number of days the voyage lasted in the period). A voyage is defined as starting at loading, ending at discharging. Revenues are not allocated to ballast days. See also headline 'New and amendments to standards'.

Voyage related expenses include expenses such as bunkers, port cost, canal and strait dues, cribbing, grillage and seafastening, commissions etc.

Ship operating expenses, which include manning of the vessels, repair and maintenance.

Foreign currency
The consolidated financial statements are presented in USD, which is also the functional currency for the companies in the Group.

Transactions in foreign currencies are recorded at the exchange rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the financial position date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Inventories
Inventories mainly consist of bunkers and are recognized at cost. The consumption of bunkers is recognized in accordance with the first-in-first-out principle (FIFO).

Vessels and dry-docking
Vessels are stated at historical cost, less accumulated depreciation and impairment losses, if any. The cost of the vessels comprises its purchase price and any costs directly attributable to bringing the asset to be capable of operating in the manner intended by management. In situations where it can be clearly demonstrated that expenditures have resulted in an increase in the future economic benefits, the expenditures are capitalized to the vessels. Ordinary repairs and maintenance costs are expensed during the financial period in which they occur.

Depreciation is calculated on a straight-line basis, taking residual values into consideration. Drydocking is depreciated on a straight-line basis over the period until next similar drydocking.

Costs related to major inspections/classification (dry-docking) are recognized as part of the carrying amount of the vessels if certain recognition criteria are satisfied. The recognition is made when the dry-docking has been performed and is depreciated based on estimated time to the next dry-docking. Any remaining carrying amount of the cost of the previous inspection is derecognized.

The residual values and useful lives of the assets are reviewed and adjusted prospectively, if appropriate, at each financial position date. Residual values are estimated based on the vessels LDT (Light Deadweight Ton) and steel prices. As no reliable forward prices exist, the steel price is estimated to the price as of year-end. If prices have changed materially from last reporting period, the change is reflected in the financial statements.

Impairment of vessels
The vessels are reviewed for indication of impairment at each reporting date, and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. The recoverable amount is the higher of an asset's net selling price and its value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of disposal, while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets if possible, or else for the cash generating unit. Each vessel is considered to be one cash generating unit.

Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

Borrowing costs
Borrowing costs are capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset. Other borrowing costs are recognized as an expense when incurred.

Financial instruments
The Group classifies its financial instruments in the following categories; loans/receivables and other financial liabilities. The classification depends on the purpose for which the investments were made. Management determines the classification of its financial assets at initial recognition and re-evaluates the classification at each reporting date. The purchases and sales of financial assets are recognized on the trade date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables are carried at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the loans and receivables are de-recognized or impaired, as well as through the amortization process.

Financial position classification
Current assets and short-term liabilities include items due less than one year from the balance sheet date, and items related to the operating cycle. The current portion of long-term debt is included as current liabilities. Financially motivated investments in shares are classified as current assets, while strategic investments are classified as non-current assets. Other assets are classified as non-current assets. Financial liabilities are presented as current if the liability is due to be settled within 12 months after the financial position date, whereas liabilities with the legal right to be settled more than 12 months after the financial position date are classified as non-current.

Trade receivables and other receivables
Current trade receivables and other receivables are recorded at their nominal value less provisions for bad or doubtful debt. The Group regularly reviews its accounts and estimates the amount of uncollectible receivables and establishes an allowance for uncollectible amounts.

Trade payables and other payables
Current trade payables and other payables are recognized initially at fair value and subsequently measured at cost.

Cash, cash equivalents and cash flow statement
Cash represents cash on hand and deposits with bank that is callable on demand.

Cash equivalents represent short-term, highly liquid investments which are readily convertible into known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

The cash flow statement is prepared using the indirect method.

Financial liabilities
Interest-bearing debt is recognized at fair value when the Group becomes a party to the contractual provisions of the instrument, and subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on the settlement. Financial liabilities are derecognized from the financial position when the contractual obligation expires, is discharged or cancelled. Gains

and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest income/other financial income and interest/other financial expenses.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognizing of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Provisions
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as financial expense.

Share issuance
Share issuance costs related to a share issuance transaction are recognized directly in equity after deduction of tax.

Ordinary taxation
The vessel owning companies are all under the Norwegian tonnage tax regime, whereas OHT Management AS and the parent company are subject to the ordinary Norwegian taxation regime. Current income taxes are measured at the amount expected to be paid to (due from) authorities, deferred tax assets/liabilities are calculated based on temporary differences at the reporting date. Deferred tax assets are recognized to the extent that it is probable that they can be utilized in the future. Dividends and capital gains are taxed according to the Norwegian exemption model. Tonnage taxes are classified as operating expenses.

Related parties
Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also related if they are subject to common control or common significant influence.

Contingent liabilities
Contingent liabilities are defined as possible obligations that arise from past events whose existence depends on one or more future events not wholly within the control of the entity, or present obligations that are not recognized because it is not probable that they will lead to an outflow of resources.

Contingent liabilities are not recognized on the balance sheet unless arising from assuming assets and liabilities in a business combination. Significant contingent liabilities are disclosed unless the possibility of an outflow of resources embodying economic benefit is a remote one.

Contingent assets are not accounted for unless virtually certain.

Derivative instruments
Derivative instruments are implemented for the purpose of hedging operational and financial risks. The contracts are with highly rated and reputable financial institutions and commodities brokers, and do not meet criteria for hedge accounting.
Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in the fair value of any derivative instrument are recognized immediately in profit or loss and are included in voyage related expenses.

Government grants
Government grants are recognized in the accounts if it is reasonable assurance that conditions will be met and grant will be received. The grants are recorded on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grant is intended to compensate.

Significant accounting judgments, estimates and assumptions
Estimates
The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that may affect assets, liabilities, revenues, expenses and information in notes to the financial statement. Estimates are management's best assessment based on information available at the date the financial statements are authorized for issue. Actual results may differ from these estimates. Such changes will be recognized when new estimates can be determined with certainty.

Depreciation and impairment of vessels
Depreciation is based on management estimates of the future life of the vessels and residual values. Estimates may change due to changes in scrap value, technological development, competition and environmental and legal requirements. Management reviews the future useful life of the vessels periodically taking into consideration the above mentioned factors. In case of changes in estimated useful lives and/or residual values, the depreciation of the vessels is adjusted prospectively.

Management assesses whether there are any indicators of impairment for all vessels and new building assets if any at each reporting date. These assets are tested for impairment when there are indications that the carrying amounts may not be recoverable. Management applies significant judgment to identify impairment indicators if any. An impairment loss shall be recognized if the recoverable amount of non-financial assets is less than the carrying amount. The recoverable amount of these assets are assessed by reference to the higher of value in use, being the net present value of future cash flows expected to be generated by the asset, and fair value less costs to dispose. Management applies significant judgment to estimate the future cash flows including determination of a reasonable discount rate to discount the estimated future cash flow. Changes in circumstances and in management's evaluations and assumptions may give rise to impairment losses in the relevant periods.

Revenue recognition
The Group recognizes voyage revenues and voyage related expenses proportionally over the estimated length of each voyage, on a loading to discharge basis. Cost related to fulfilment of the contract incurred prior to loading is capitalized as mobilization costs and amortized over the associated period for which revenue is recognized. At the time of the prior voyage discharge, management generally knows the next load port and expected second discharge port, ensuring that the calculation of voyage revenues and costs over time can be estimated with a satisfactory degree of accuracy. See also headline 'New and amendments to standards'.

Demurrage revenue is recognized at the time demurrage services have been rendered if it is considered probable that the Group will receive payment.

Segment information
The Group has only one segment, being the operation of five heavy transport vessels. Further, the Group has not specified segment information on a geographical basis as the Group is of the opinion that such information is not relevant for the Group, given that the vessels trade world-wide.

Events after financial position date

New information regarding the Group's situation on the financial position date is taken into account in the financial statements. Events occurring after the financial position date, that do not affect the Group on the financial position date but will affect the Group's situation in the future, are disclosed if significant.

New and amendments to standards

The following new or amendments to standards and interpretations have been issued and became effective during the current period. These include:

IFRS 15 – Revenue from contracts with customers, for periods beginning on or after 1 January 2018.
The group has adopted IFRS 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in changes in accounting policies. Under the new standard, an entity recognizes revenue only when it satisfies a performance obligation by transferring a promised good or service (over time or at a point in time) to a customer. A good or service is considered to be transferred when the customer obtains control. Recognizing revenue upon a transfer of control is a different approach from the "risks and rewards" model in IAS 18. A performance obligation is satisfied over time if any one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits of the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset (work-in-progress) that the customer controls as the asset is created or enhanced.

Gross freight revenue is assessed to meet the criteria for revenue recognition over time as the customer simultaneously receives and consumes the benefits as the entity performs. The revenue recognition has been changed from a discharge-to-discharge basis to a load-to-discharge basis. Cost related to fulfilment of the contract incurred prior to loading is capitalized as mobilization costs and amortized over the associated period for which revenue is recognized. Voyage and operating expenses incurred as repositioning for non-committed freight contracts are expensed as incurred. Other revenue from services, such as demurrage, is recognized when earned and is included in freight revenue.

The group has adopted the new rules using a modified retrospective approach, recognising the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of retained earnings at the date of initial application. The change in accounting policies resulted in the following implementation effect:

USD 1 000	
Gross revenue	-870
Voyage expense	964
Ship opex	374
Other equity	-469

IFRS 9 – Financial instruments, for periods beginning on or after 1 January 2018.
IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The group has only one type of financial assets that are subject to IFRS 9's new expected credit loss model: Trade receivables for sale of services. The group adopted the simplified expected credit loss model for its trade receivables with only minor effects. No assets held by the group were subject to reclassifications in IFRS 9. The impact of the change in impairment on the group is immaterial and no adjustments have been reflected in retained earnings.

There are no other new or amended standards adopted by the group or parent company from 1 January 2018 or later.

New and revised standards, not yet effective

The following new or amendments to standards have been issued and become effective in years beginning on or after January 1, 2019, assuming European Union adoption. Other than IFRS 16, none of these standards are expected to give material effect on the Group's financial statements.

IFRS 16, 'Leases' was issued in January 2016. It will result in almost all leases being recognized on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term (less than 12 months) and low-value leases. The Group has a preliminary assessment of the impact of IFRS 16. The details can be found in note 10.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

Note 3 Inventory of bunkers

The balance at 31 December consists of the vessels' inventory of bunkers and lube oil.

Note 4 Specification of expenses

USD 1 000	2018	2017
Voyage related expenses		
Port expenses	4 024	5 025
Bunker costs	22 494	15 954
Other voyage related expenses	4 356	8 330
Total	**30 874**	**29 308**
Vessel operating expenses		
Crewing expenses	9 731	9 873
Maintenance and stores	3 808	4 070
Spare parts and repairs	-	666
Insurance	699	769
Other operating expenses	2 856	2 635
Total	**17 095**	**18 013**
Employee benefit expenses		
Salaries (note 18)	2 967	3 717
Social security costs	556	452
Pension expenses (note 12)	-28	259
Other personnel expenses	550	340
Total	**4 046**	**4 767**
Number of staff	22	19
Administrative expenses		
Management fee (note 18)	524	432
Other fees	1 737	1 254
Travel expenses and membership fees	176	149
Other administrative expenses	883	1 150
Total	**3 320**	**2 985**

Audit fees (excluding VAT)		
Audit related fees	60	69
Other services	1	-
Total	**61**	**69**

Fees to the Group's auditors are included in administrative expenses.

Note 5 Specification of net foreign exchange gain/(loss)

USD 1 000	2018	2017
Foreign exchange gain	161	451
Foreign exchange loss	152	575
Net foreign gain/(loss)	**9**	**-124**

Note 6 Cash and cash equivalents

The Group's cash and cash equivalents are denominated in the following currencies as of 31 December:

USD 1 000	2018	2017
US Dollars	10 351	30 629
Norwegian kroner	542	688
Other currencies	199	-562
Total cash and cash equivalents	**11 092**	**30 755**
Restricted cash		
Employee tax accounts	225	229
Total restricted cash	**225**	**229**

Interest income is earned at floating interest rates.

See also note 14 and 19 for further information.

Note 7 Total receivables

USD 1000	2018	2017
	Carrying amount	Carrying amount
Trade receivables	5 998	3 308
Other receivables	2 435	4 809
	8 433	**8 117**

As of 31 December 2018, trade receivables of USD 2.2 million (2017: 1.9 million) were considered doubtful, thus provided for.

	2018	2017
Up to 3 months	5 939	3 308
3 to 6 months	-	67
More than 6 months	2 283	1 871

Trade receivables, receivables Group companies and other receivables are non-interest bearing. USD 4.9 million of outstanding trade receivables at 31 December 2018 has been paid in early 2019. The receivables are denominated in USD.
See also note 19.

Note 8 Other current liabilities

USD 1000	2018	2017
Deferred revenue	5 338	1 797
Public Duties	381	378
Other current liabilities	5 366	3 244
Total	**11 085**	**5 419**

Other current liabilities are non-interest bearing.

See also note 19.

Note 9 Vessels and other fixed assets

USD 1 000	Heavy transport vessels	Docking	Vessel under construction and development asset	Other	Total
Cost at 1 January 2017	**196 044**	**13 309**	**528**	**234**	**210 115**
Additions 2017	1 804	575	1 830	152	4 361
Government grant	-633		-297		-930
Cost at 31 December 2017	**197 215**	**13 884**	**2 062**	**387**	**213 547**
Additions 2018	3 098	2 241	21 028	181	26 548
Government grant			-103		-103
Disposed				-43	-43
Cost at 31 December 2018	**200 312**	**16 125**	**22 987**	**525**	**239 950**
Acc. Depr. at 1 January 2017	**38 944**	**6 970**	-	**150**	**46 063**
Depreciation 2017	11 767	2 119	-	51	13 937
Acc. Depr. at 31 December 2017	**50 710**	**9 089**	-	**201**	**60 000**
Depreciation 2018	11 942	2 187	-	84	14 213
Disposed	-	-	-	-38	-38
Acc. Depr. at 31 December 2018	**62 653**	**11 277**		**246**	**74 176**
Closing net book amount 2018	**137 660**	**4 848**	**22 987**	**279**	**165 774**

Assets are depreciated on a straight-line basis over their expected remaining useful lives as follows:

Heavy transport vessels	4 - 12 years
Office furniture	5 years
Computer equipment	3 years

Certain components, such as costs recognized in connection with major classification/dry-docking and transportation equipment, have shorter useful lives.

Dry-docking 2.5 - 5 years

Indicators of vessel impairment has been assessed. The Management has concluded no indicators found as per 31 December 2018.

Note 10 Commitments and contingencies

The Group has decided to dry dock the fleet as well as installing scrubbers on the fleet. The total costs are estimated to USD 16.4 million, USD 9.1 million to scrubbers incl. installation and USD 7.3 million to dry docking.
In addition, the subsidiary OHT Alfalift AS has entered into a shipbuilding contract. The company has committed to pay in total 30 % of the contract value upfront, of which 10% was paid in 2018, the remaining 70 % upon delivery in 2020. To finance the remaining 70 %, the company intend enter into a sale leaseback contract with the leasing company of the yard.

USD 1 000

Commitments	2019	2020	Total
Dry docking of vessel	6 550	750	7 300
Scrubber installation on the vessel	7 496	1 609	9 105
Shipbuilding contract	18 990	151 920	170 910
Total	33 038	154 281	187 315

Moreover, the Group has a lease contract for the head office that is not recognized in the financial statements as per 31.12.2018. Annual lease cost for the office lease contract is USD 0.5 million with a sublease to related parties of USD 0.2 million. The contract expires on 30 June 2019, but an option to extend by another 5 years beyond that date has been called upon.

IFRS 16, 'Leases' was issued in January 2016, see note 2. As of 1 January 2019, the Group has only the lease contracts mentioned above. Consequently, the Group will not make use of any scope exemptions.

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. As of 1 January 2019, the lease liability will be measured at the present value of remaining lease payments, discounted using the incremental borrowing rate at such date. The right-of-use asset will be measured at an amount equal to the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

The preliminary effect on the balance sheet as at 1 January 2019 is presented below

USD 1 000	
Lease liability at 1 January 2019	- 2.259
Right-of-use asset at 1 January 2019*	2.259
Difference between lease liability and right-of-use asset per 1 January 2019	0

**Right-of-use asset for the lease liability property. Net right-of-use will be reduced for sublease.*

Net implementation effects of lease and sublease:	
Estimated improvement of EBITDA	296
Annual depreciation expenses of leased asset will increase approximately	231
Annual net interest expense will increase approximately	127
Cash flow statement reclass operational to financial	296

Expected future impact on the income and cash flow statement

The group expects that net profit after tax will decrease by approximately USD 62 thousand for 2019 as a result of adopting the new rules. EBITDA is expected to increase by approximately USD 296 thousand, as the operating lease payments were previously included in EBITDA, but the amortisation of the right-of-use assets and interest on the lease liability are excluded from this measure.

Operating cash flows will increase, and financing cash flows decrease by approximately USD 295 thousand as repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities.

Note 11 Investments in subsidiaries

The consolidated financial statements include the financial statements of Offshore Heavy Transport AS and its subsidiaries listed in the table below:

Subsidiary	Country of incorporation	Ownership share	Consolidated in the Group financial statements from
OHT Eagle AS	Norway	100 %	11.09.2012
OHT Falcon AS	Norway	100 %	11.09.2012
OHT Osprey AS	Norway	100 %	11.09.2012
OHT Hawk AS	Norway	100 %	11.09.2012
OHT Albatross AS	Norway	100 %	09.04.2013
OHT Alfalift AS	Norway	100 %	13.11.2017
OHT Management AS	Norway	100 %	11.09.2012

The Norwegian subsidiaries have their main office in Oslo, Norway.

Note 12 Pension cost, funding and obligations

The subsidiary OHT Management AS has set up a defined contribution scheme with a life insurance company to provide pension benefits for its employees. The defined benefit scheme was phased out in 2018 and employees under this scheme were transferred to the contribution scheme. The effect of this amounts USD 305 thousand. Remeasurements, net after tax USD -39 thousand (-71 in 2017), was booked to Equity through Other Comprehensive Income.

As pensions have no material effect on the Financial Statement for the Group, further disclosures are not provided.

Note 13 Income tax

USD 1 000	2018	2017
Current income tax		
Current income tax (taxes payable)*	86	9
Deferred income tax		
Change in deferred tax	266	117
Effect due to changed tax rate from 25% to 24% to 23%	32	50
Tax effect on re-measurements of pension obligations	11	22
Income tax expense/(income)	**395**	**198**

* The difference to tax payable in the Consolidated statement of financial position is related to tonnage taxes, which is classified as operating expenses and not included in income tax expense.

Reconciliation of total income tax expense during the year to the income tax expense at the statutory income tax rate applicable in Norway:	2018	2017
Profit/(loss) before tax	-12 561	9 569
Tax at Norway's statutory income tax rate of 23% (24 %)	-2 889	2 392
Non-deductible expenses or non-taxable items (1)	3 284	-2 590
Income tax income/(expense)	**395**	**-198**

(1) Relates mainly to non-taxable income within the tonnage tax system.

Deferred income tax at 31 December relates to the following:

Deferred tax assets		
Pensions	-	3
Fixed assets	-3	79
Tax losses carried forward	988	1 200
Deferred tax assets	**985**	**1 282**

Deferred tax, opening balance	1 282	1 449
Income statement change	-298	-167
Deferred tax, ending balance 23% (24%)	**985**	**1 282**

The subsidiaries OHT Eagle AS, OHT Falcon AS, OHT Osprey AS, OHT Hawk AS, OHT Albatross AS and OHT Alfalift AS are organized under the Norwegian tonnage tax regime. The entering into the Norwegian tonnage tax regime did not result in tax for the Group. Dividend from the subsidiaries will be exempt from tax under the tax exemption regulations.

The tonnage taxed companies have tax losses carried forward totaling USD 0.4 million. Deferred tax has not been recognized in these companies. For the other Group companies, deferred tax is recorded in the balance sheet.

Most of the deferred tax assets relating to losses carried forward is expected to be reversed in the near future.

Taxes payable in the balance sheet consists of tonnage tax and tax on financial income from shipping activities.

Note 14 Interest-bearing debt

The Group had no interest bearing debt as per 31 December 2018.

See also note 10 and 20

Note 15 Shares and shareholders

Shareholders as of 31 December 2018	Number of shares	Ownership share
Songa Corp	6 667	66.67 %
Lotus Marine AS	3 333	33.33 %
Total number of shares	**10 000**	**100 %**

See note 16 and 17.

Note 16 Share capital and premium

USD 1 000, unless otherwise specified	Number of shares	Share capital	Share premium
Ending balance 2017	**10 000**	**36**	**1 779**
Ending balance 2018	**10 000**	**36**	**1 779**

The share capital consists of 10 000 shares at a nominal value of NOK 20,-.

All issued shares are of equal rights. Offshore Heavy Transport AS is incorporated in Norway and the share capital is denominated in NOK.

There are no registered authorizations for issuing new share capital per 31 December 2018.

See also Consolidated statement of changes in equity.

Note 17 Earnings per share

Basic earnings per share is calculated by dividing net profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

There are no dilutive instruments outstanding for the periods presented.

USD 1 000, unless otherwise indicated	2018	2017
Net profit/(loss) attributable to the shareholders	-12 966	9 300
Weighted average number of ordinary shares outstanding	10 000	10 000
Weighted average number of shares outstanding, diluted	10 000	10 000
Basic earnings per share	-1.30	0.93
Diluted earnings per share	-1.30	0.93

Note 18 Related parties

In the normal course of its business, the Group enters into transactions with related parties. Technical management for the vessels is provided by Songa Shipmanagement Ltd, a company in the Blystad group. The Group's main office is located in the Blystad group offices, and certain administrative/management services have been supplied from the Blystad group. All transactions with related parties have been made on an arm's length basis and are settled on a regular basis. Transactions with related parties are specified below:

USD 1 000, unless otherwise indicated	Year	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Blystad Group	2017	214	1 498	-	10
Blystad Group	2018	221	1 664	-	-

Remuneration to the board of directors and company management
There has been no remuneration in 2018 to the Board members. The Chief Executive Officer has received remuneration of USD 502 thousand and other management USD 205 thousand in 2018.

At the end of 2018, the Group had 22 employees.

The Group had no outstanding loans or guarantees for the benefit of board members or management in 2018.

The compensation structure for Offshore Heavy Transport AS is designed to contribute to value creation for the shareholders. The board determines the compensation system. For Group management, the compensation system comprised in 2018 of salary, bonus and a pension and insurance scheme.

Shares and stock options controlled by board members and Group management
Songa Corp, owning 66.67% of the shares at 31 December 2018 is under the control of the Chairman of the Board, Mr. Arne Blystad and Board member Mrs. Marianne H. Blystad. No shares or share options are owned by key management at 31 December 2018.

Note 19 Financial instruments and risk management

Financial instruments
Set out below is a comparison by category for carrying amounts and fair values of all of the Group's financial instruments that are carried in the financial statements. The following estimated fair value amounts of the financial instruments have been determined using appropriate market information and valuation methodologies.

	2018		2017	
USD 1 000	Carrying amount	Fair value	Carrying amount	Fair value
Trade receivables	5 998	5 998	3 308	3 308
Other receivables, incl group	2 435	2 435	4 809	4 809
Cash and cash equivalents	11 092	11 092	30 755	30 755
Accounts payable	4 158	4 158	3 052	3 052
Other current liabilities, incl group	11 208	11 208	5 472	5 472

			2018		2017	
Hedging object	Hedging instrument	Hedge included in P&L	P&L effect	Fair value	P&L effect	Fair value
Bunker cost	Commodity swap	Voyage related expenses	336	-	104	75

Financial risk
The Offshore Heavy Transport Group owns and operates heavy transport vessels for transport operations mainly for the Oil & Gas and offshore sector. The activity is international and exposed to financial market risks such as fluctuations in currency exchange rates, interest rates, the oil price (including bunkers) and other market risks that may influence the value of assets, liabilities and cash flows.

To reduce and manage these risks, management periodically assesses the Group's financial market risk in general, as well as evaluating hedging strategies for specific exposures as they arise. The primary strategy used for reducing the financial market risks is the use of derivatives, where appropriate.

Operational risk
Derivative instruments are only implemented for the purpose of hedging operational risks. The Group does not trade or use instruments with the objective of earning financial gains from bunkers price, interest rate or exchange rate fluctuations alone. The Group only employs conventional derivative instruments in contracts with highly rated and

reputable financial institutions and commodities brokers. During 2018 and 2017, the OHT Group entered into contracts for procurement of fixed quantities of bunkers at a price fixed in advance, with cash settlement at due date. The contracts are similarly designed and are valued at fair value through voyage related expenses in profit or loss. Four contracts have been settled in 2018. The contracts do not meet criteria for hedge accounting.

Normally, freight agreements with customers would involve a clause concerning bunkers compensation (to reduce risk for increase in prices). A few recent agreements do not involve this clause, and to reduce risk for increase in prices the Group has entered into hedging contracts.

Currency risk exposure
The assets of the Group and the debt financing are denominated in USD and so are operating revenues. The exposure to currency risk of consolidated accounts in USD is related to the part of the operating and administrative expenses denominated in other currencies than USD.

Changes in the value of the USD relative to the currencies of the operating and administrative costs will expose the Group to currency risk. To manage the currency risk, the management reviews whether to enter into forward contracts for USD/NOK or USD/EUR or using other financial instruments to hedge this risk.

Effects in 1 000 USD	Change in USD/NOK	2018	2017
Sensitivity to change in USD/NOK			
Effect on operating costs, full year effect	0.10	134	82

For example a change from USD/NOK 8.70 to 8.60

The balance sheet items denominated in other currencies than USD are considered insignificant. No forward contracts or other derivative contracts were in effect at the balance date.

Exposure to fluctuations in the interest rate
As at 31 December 2018 the Group has no external debt, thus not exposed to interest rate risk.

Credit risk exposure
The Group is exposed to credit risk in the case that receivables from customers are not paid or in the case that contract parties to derivative contracts default their commitment. The customers are in general large companies with good credit rating. For new customers, a credit evaluation is performed. Furthermore, the freight contracts contain a payment clause ensuring pre-payment of a significant part of the contract value. Ageing analysis of past due balances is presented in note 7. Provision for doubtful accounts has been made at year-end.

Liquidity risk exposure
Liquidity risk may arise if a company is not able to pay its financial obligations at due date. The Group applies cash flow forecasting to ensure that the activities are adequately financed at all times. It is our view that the cash flow from operations and from planned financing activities is sufficient to fulfill all financial obligations.

See also note 20.

Maturity analysis for financial liabilities recorded at the balance date:

2018 USD 1 000	0-1 Years	2 Years	3+ Years
Accounts payable	4 158	-	-
Related party liabilities	-	-	-

2017 USD 1 000	0-1 Years	2 Years	3+ Years
Accounts payable	3 052	-	-
Related party liabilities	10	-	-

Note 20 Events occurring after the reporting period

At 18 March 2019 the Group entered into an agreement with Skandinaviska Enskilda Banken (SEB) for a revolving credit facility of USD 30 million. Maturity date is 31 December 2020. Offshore Heavy Transport AS is, together with its subsidiaries, jointly and severally liable for the loan. As security for the facility the Group has pledged vessels, customer balances and cash reserves. The loan has floating interest at Libor +3,75%.

The loan agreement includes customary financial covenants as follows:
Minimum consolidated liquidity shall at all times be the higher of (i)USD 5 000 000 and (ii)USD 1 000 000 per collateral vessel, a minimum value clause which means the aggregated Fair Market Value of the collateral vessels shall at all times be at least equal to 200% of the outstanding amount under the Credit Facility, the working capital shall at all times be greater than USD 0 and a minimum equity ratio shall at all times be at least 40.00%.

Offshore Heavy Transport AS

Financial statements - parent company 2018

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Norwegian Enterprise no: 991 723 188
www.oht.no

Statement of income

NOK 1 000

	Note	2018	2017
Other operating income	1	-	1 005
Operating revenues		-	**1 005**
Administrative expenses	2	8 988	6 058
Total operating expenses		**8 988**	**6 058**
Net operating profit/(loss)		**-8 988**	**-5 054**
Group contribution from subsidiary		7 008	695
Dividend from subsidiaries	5	27 000	140 000
Other financial income	3, 5	11 200	4 420
Other financial costs	3, 5	-7 176	-7 988
Net foreign exchange gain / (loss)	3	4 562	12 804
Net financial income/(expenses)		**42 593**	**149 931**
Net profit before tax		**33 605**	**144 877**
Taxes	7	1 868	1 429
Net profit/(loss)		**31 737**	**143 448**
Allocation of net profit			
Transfer to/from other equity		31 737	143 448
Total allocated net profit		**31 737**	**143 448**

Statement of financial position

NOK 1 000

	Note	2018	2017
ASSETS			
Non-current assets			
Deferred tax assets	7	7 566	9 434
Total deferred tax assets		**7 566**	**9 434**
Development Asset	11	19 635	15 551
Total intangible assets		**19 635**	**15 551**
Investments in other Group companies	6	612 813	281 002
Available for sale financial investment		6 356	6 356
Total Financial assets		**619 169**	**287 358**
Total non-current assets		**646 370**	**312 344**
Current assets			
Receivables Group companies	5	223 590	564 073
Taxes receivable	11	896	2 435
Other receivables		9 032	662
Total receivables		**233 519**	**567 170**
Derivative instruments	**14**	**-**	**625**
Cash and cash equivalents	**4**	**1 543**	**0**
Total current assets		**235 063**	**567 796**
TOTAL ASSETS		**881 432**	**880 139**

Statement of financial position

NOK 1000

	Note	2018	2017
EQUITY AND LIABILITIES			
Equity			
Share capital	8	200	200
Share premium	9	8 903	8 903
Retained earnings	9	778 130	746 393
Total equity	**8, 9**	**787 232**	**755 496**
Liabilities			
Accounts payable		1 988	5 236
Liabilities to Group companies	12	91 978	117 941
Other current liabilities		234	1 466
Total current liabilities		**94 200**	**124 644**
Total liabilities		**94 200**	**124 644**
TOTAL EQUITY AND LIABILITIES		**881 432**	**880 139**

Oslo, 26 April 2019

The Board of Directors

Arne Blystad Chairman	Stewart Gordon Smith Deputy Chairman	Peng Zhou Board member
Tom Erik Jebsen Board member / CFO	Marianne H. Blystad Board member	Torgeir E. Ramstad Managing director

Cash flow statement

NOK 1000	2018	2017
Profit/(loss) before tax	33 605	144 877
Change in receivables and prepayments	-6 706	-
Change in payables and accruals	-3 248	4 827
Change in other provisions	-18 023	-131 137
Net cash flow from operating activities	**5 628**	**18 567**
Investments in financial asset	-	-6 416
Investments in other assets	-4 083	-15 551
Net cash flow used in investing activities	**-4 083**	**-21 967**
Net cash flow used in financing activities	**-**	**-**
Net change in cash and cash equivalents	**1 543**	**-3 400**
Cash and cash equivalents at beginning of period	0	3 400
Cash and cash equivalents at end of period	**1 543**	**0**

Notes

<u>Note 1 Accounting principles for the financial statements for Offshore Heavy Transport AS – parent accounts.</u>

General
The financial reports are disclosed in accordance with the Norwegian Accounting Act and Norwegian general accepted accounting principles.

Currency
The parent company accounts are reported in Norwegian kroner (NOK) which is also the Functional currency for the parent company.

Estimates
Management has used estimates and assumptions that may have effect on revenues, costs and the valuation of assets and liabilities in the reporting of the annual financial statements.

Measurement of revenues and costs
Revenues are recognised as they are earned. Costs are recognised in the same reporting period as the corresponding revenues.

Classification and evaluation of balance sheet items
Current assets and short-term liabilities consist of items due for payment within a year after recognition. Other items are recognised as long-term assets or liabilities.

Current assets are valued at the lowest of acquisition value or fair value. Short-term liabilities are recorded at the nominal value at the time of recognition.

Non-current assets are valued to the value at the time of acquisition less accumulated depreciation. Long-term loans are valued at nominal value at the time of recognition.

Taxes
The income tax in the statement of income consists of taxes payable and changes in deferred taxes. Deferred tax and deferred tax benefit is calculated based on temporary differences between tax bases of assets and liabilities and their carrying amount for financial reporting purposes and is based on nominal values. Net deferred tax benefit is recorded in the statement of financial position only in the event that it is probable that it can be utilised in the foreseeable future.

Taxes payable and deferred taxes are recorded directly in equity in the event that the tax items are related to equity transactions.

Shares in subsidiaries
Investment in shares in subsidiaries is accounted for using the cost-method in the statutory accounts. An impairment loss is recognised if the fair value is lower than book value and this is viewed as non-temporary. The impairment loss is reversed to the degree that the fair value improves, and that the improvement is not assumed to be of a short-term nature.

Currency
Monetary items in foreign currency are recorded at year-end exchange rates, 8.6885 in 2018 and 8.205 in 2017. Realised currency exchange gains or losses are recorded at the time of payment.

Cash, cash-equivalents and cash flow statement
Cash and cash-equivalents include cash, bank deposits and other short-term deposits that are repayable on demand.

Derivative instruments
Derivative instruments are implemented for the purpose of hedging operational and financial risks. The contracts are with highly rated and reputable financial institutions and commodities brokers, and do not meet criteria for hedge accounting.

Changes in fair value of the company's derivative instruments are recognized immediately in profit or loss and are included in other income or other expenses

Development Asset
Development assets are capitalized if it is probable that future economic benefits will flow to the entity, and if the cost can be measured reliably.

Government grants
Government grants are recognized in the accounts if it is reasonable assurance that conditions will be met, and grant will be received. The grant is recorded on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grant is intended to compensate.

The cash flow statement is prepared using the indirect method.

Note 2 Specification of sales, general and administration expenses

NOK 1 000

Administrative expenses	**2018**	**2017**
Salaries to Directors	-	1 119
Administration cost	8 950	4 920
Other operating costs	38	19
Total administrative expenses	**8 988**	**6 058**

The company had no employees in 2018, thus no occupational pension scheme pursuant to the occupational pension law.

Auditor's fees excluding VAT 1)	**2018**	**2017**
Audit fees	214	252
Audit related fees	10	-
Total	**224**	**252**

1) Fees to the auditor are included in administration costs

Note 3 Specification of financial items

NOK 1 000

Other financial income	**2018**	**2017**
Interest income from Group companies	6 875	1 886
Interest income others	1 531	627
Other financial income	2 794	-
Other financial income	**11 200**	**4 420**

Other financial costs	**2018**	**2017**
Interest cost to Group companies	-5 818	-6 829
Interest cost on loans	-1 304	-644
Other financial costs	-55	-515
Total financial costs	**-7 176**	**-7 988**

Foreign exchange gain/(loss)	2018	2017
Foreign exchange gain/(loss) re. Loans	-	30
Foreign exchange gain/(loss) re. intercompany loans/receivables	3 275	13 010
Other foreign exchange gain/(loss)	1 287	-235
Total foreign exchange gain/(loss)	**4 562**	**12 804**

Note 4 Cash and cash equivalents

NOK 1000
The Company's cash and cash equivalents are denominated in the following currencies as of 31 December 2018:

	2018	2017
US Dollars	1 143	1 082
Norwegian kroner	424	-529
EUR	-24	-1 311
Total cash and cash equivalents	**1 543**	**-758**

Offshore Heavy Transport AS is party to the corporate group account agreement with the bank, thus being the formal owner of the net deposit of the account system at any point in time. The parent company and group net deposit in the group account system consists of the total deposits less the total overdraft of the participants. The net deposit balance of the group account system is at 31 December 2018 NOK 63 343.

The 2017 negative balance of NOK 758 was reported as Other current liabilities.

The Cash and cash equivalents disclosed above and in the statement of cash flow, include NOK 0 (2018) and NOK 456 (2017) which are restricted to tax withholdings.

Note 5 Receivables with due date no later than one year

NOK 1000	2018	2017
Dividend from subsidiaries, accrued	68 008	390 695
Intercompany short-term loans	155 582	173 379
Total	**223 590**	**564 073**

Interest bearing loan versus group companies carry interest at 2.92 % for NOK and 5.23 % for USD per annum. Repayment takes place according to agreement.
See also note 12.

Note 6 Investments in subsidiaries

NOK 1000
Investments in shares in subsidiaries are valued by the cost method.

Subsidiary	Country of incorporation	Established	Ownership interest	Share capital	Net book value
OHT Eagle AS	Norway	2005	100 %	200	15 627
OHT Falcon AS	Norway	2005	100 %	200	21 026
OHT Osprey AS	Norway	2007	100 %	11 110	114
OHT Hawk AS	Norway	2007	100 %	200	14 330
OHT Albatross AS	Norway	2015	100 %	500	414 413
OHT Alfalift AS	Norway	2017	100%	60	141 536
OHT Management AS	Norway	2005	100 %	111	5 767

	612 813

The subsidiaries have their main office in Oslo, Norway.

Note 7 Taxes

NOK 1000

	2018	2017
Taxes payable		
Taxes related to group contribution	-	-
Deferred taxes		
Related to temporary differences	1 868	1 429
Total taxes	1 868	1 429

Reconciliation of tax expenses		
Net income before tax	33 605	144 877
Tax based on nominal tax rate 23% (24%)	7 729	34 771
Permanent differences	-6 210	-33 752
Effect of change tax rate from 23% to 22%	349	410
Net change in temporary differences	-1 868	-1 429
Deferred tax benefit related to loss carry forward	1 868	1 429
Total taxes	**1 868**	**1 429**

Specification of deferred taxes		
Deferred tax asset		
Net loss carry forward	-34 392	-41 019
Basis of Deferred tax asset	**-34 392**	**-41 019**
Deferred tax asset (23%/24%)	7 566	9 434

The company is the parent company of the Offshore Heavy Transport Group. The subsidiaries OHT Eagle AS, OHT Falcon AS, OHT Osprey AS, OHT Hawk AS, OHT Albatross AS and OHT Alfalift AS are organized within the Norwegian tonnage tax regime. Dividends from the subsidiaries will be exempt from tax within the exemption model.

Note 8 Shares and shareholders

Shareholders as of 31 December 2018	Number of shares	Ownership share
Songa Corp	6 667	66,67 %
Lotus Marine AS	3 333	33,33 %
Total number of shares	**10 000**	**100 %**

The share capital consists of 10 000 shares at nominal value NOK 20.-, and of equal rights. Offshore Heavy Transport AS is incorporated in Norway and the share capital is denominated in NOK.

Note 9 Issued capital and reserves

NOK 1000

	Number of shares	Share capital	Paid-in premium	Other paid-in equity	Net earnings	Total
Ending balance 2016	**10 000**	**200**	**8 903**	**-**	**602 945**	**612 048**
Net profit/(loss) 2017					143 448	143 448
Dividend distributed						
Group contribution distributed						
Ending balance 2017	**10 000**	**200**	**8 903**	**-**	**746 392**	**755 496**
Net profit/(loss) 2018					31 737	31 737
Ending balance 2018	**10 000**	**200**	**8 903**	**-**	**778 129**	**787 232**

Offshore Heavy Transport AS and its subsidiaries are consolidated in the financial statements of Songa Holding AS, enterprise no 988 909 109, Haakon VII's gate 1, 0161 Oslo.

Note 10 Development Asset

NOK 1 000	Development asset
Cost at 1 January 2018	**15 551**
Additions 2018	4 980
Government grant	-896
Cost at 31 December 2018	**19 635**

During 2017 and 2018 the Company has conducted research and development for new and improved methods for heavy transport services. The project has qualified for Government grant in the form of tax relief, under certain conditions that will be met. The estimated useful life for the project will be approximately 20 years.

Note 11 Related parties

The Group's main office is located with the Blystad group, and certain administrative services have been supplied from the Blystad group.

Funds have been transferred internally in the Group during the year; the Parent company has borrowed funds from some subsidiaries with good liquidity and lent to other subsidiaries in need of funds. All transactions with related parties have been made on an arm's length basis and are settled on a regular basis.

Transactions with related parties are specified below:

NOK 1000	Year	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
OHT Management AS	2017		4 432	19 892	12 033
OHT Management AS	2018		8 121	25 591	27 059
OHT Albatross AS	2017			251 917	21 549
OHT Albatross AS	2018			2 175	2 616
OHT Osprey AS	2017			32 808	3 441
OHT Osprey AS	2018			60 307	20 054
OHT Eagle AS	2017			44 063	-
OHT Eagle AS	2018			64 408	-
OHT Falcon AS	2017			38 039	-
OHT Falcon AS	2018			177	80 918
OHT Hawk AS	2017			355	
OHT Hawk AS	2018				
OHT Alfalift	2018			36 707	925

See also note 5.

Entity with significant influence over the Group:

The main shareholder of the company (66.67%), Songa Corp, is a company in the Blystad group. Songa Corp is under the control of the Chairman of the Board, Arne Blystad and Board member Marianne H. Blystad.

12 Financial Instruments

The Company employs conventional derivative instruments to manage risk. At 31 December 2018 the company had no such contracts, whereas at 31 December 2017 two bunker hedging contracts were signed. Fair value of the contracts were NOK 625 373.

13 Financial Market Risk

General
The Company is exposed to financial market risk through its business activity. The activity is international and exposed to financial market risks such as fluctuations in currency exchange rates, interest rates, the oil price and other market risks that may influence the value of assets, liabilities and cash flows.

Currency risk
The main activity of the Company is investment in subsidiaries owning and operating heavy transport vessels for transport operations mainly for the oil & gas and offshore sectors. The underlying revenues and main part of the operating costs in the subsidiaries are denominated in USD. A part of the administrative costs in the Company is denominated in NOK. Management regularly reviews whether to hedge the currency exchange risk.

There were no forward contracts or other derivative contracts in effect at 31 December 2018.

Specific currency risk is related to the Company's internal loans from the subsidiaries denominated in USD.

Interest rate risk
The Company's debts at the balance sheet date were internal loans to Group companies. The interest rates of these loans were not hedged at 31 December 2018.

Credit risk
The Company is exposed to credit risk in the case that contract parties to derivative contracts defaults their commitment. The Company only employs conventional derivative instruments in contracts with highly rated and reputable financial institutions and commodities brokers.

14 Events occurring after the reporting period

On 18 March 2019 the Group entered into an agreement with Skandinaviska Enskilda Banken (SEB) for a revolving credit facility of USD 30 million. Maturity date is 31 December 2020. Offshore Heavy Transport AS is, together with its subsidiaries, jointly and severally liable for the loan. As security for the facility the Group has pledged vessels, customer balances and cash reserves. The loan has floating interest at Libor +3,75%.

The loan agreement includes customary financial covenants as follows:
Minimum consolidated liquidity shall at all times be the higher of (i) USD 5 000 000 and (ii) USD 1 000 000 per collateral vessel, a minimum value clause which means the aggregated Fair Market Value of the collateral vessels shall at all times be at least equal to 200% of the outstanding amount under the Credit Facility, the working capital shall at all times be greater than USD 0 and a minimum equity ratio shall at all times be at least 40.00%.

To the General Meeting of Offshore Heavy Transport AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Offshore Heavy Transport AS. The financial statements comprise:

- The financial statements of the parent company, which comprise the statement of financial position as at 31 December 2018, and the statement of income and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- The financial statements of the group, which comprise the consolidated statement of financial position as at 31 December 2018, and consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.

- The accompanying financial statements give a true and fair view of the financial position of the parent company as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

- The accompanying financial statements present fairly, in all material respects, the financial position of the group as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Board of Directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements of the parent company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and fair presentation of the financial statements of the group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the parent company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The financial statements of the group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company or the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company or the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial*

Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company and the Group's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 26 April 2019
PricewaterhouseCoopers AS

Bjørn Lund
State Authorised Public Accountant