



Rem Saltire AS 2`nd half 2019 report

General information

The interim accounts for the second half year of 2019 has been prepared in accordance with NGAAP. The accounts are unaudited.

Nature and location of activities

Rem Saltire AS is the owner of the Offshore Support Vessel *Rem Saltire*. The vessel has been performing a time charter party with MagseisFairfield throughout the course of 2`nd half 2019.

The commercial and technical management is performed by Rem Maritime AS in Fosnavåg.

Operation and contract situation

The vessel was successfully chartered to Fairfield Geotechnologies (now MagseisFairfield) for a two year firm period from January 2019 on satisfactory commercial terms, and also in direct continuation of former charter. The vessel has been performing deep and ultra deep water node handling operations in US Gulf of Mexico.

Accounts second half year 2019

Total operating revenue in the second half of 2019 was MNOK 48,8 (MNOK 41,2 for the second half of 2018).

Operating expenses for second half of 2019 was MNOK 19 (MNOK 21). This results in an EBITDA of MNOK 29,8 (MNOK 20,2).

Profit for the second half of 2019 was negative with MNOK -2,1 (MNOK -14,6).

Future outlook

The earnings in the market for Rem Saltire are expected to develop positively through 2020, as the contract provides an extended earnings horizon. On a general note the market for subsea vessels is stabilising after a prolonged downturn, however the market is experiencing seasonal fluctuations.

The remaining backlog for the existing contract is approximately MUSD 10. The vessel is operating with Cyprus flag and a mix of Norwegian and Bulgarian crew, and is fully operated by Rem Maritime AS.

Free cash in Rem Saltire AS amounted to MNOK 10,8 by the end of H2 2019.

Fosnavåg, 28 February 2020
Board of Directors of
Rem Saltire AS



REM SALTIRE - P&L STATEMENT

NOK 1.000	2H 2019	2H 2018	2019	2018
Charter hire	48 798	36 877	87 857	55 441
Other income	0	4 342	0	5 803
Total revenues	48 798	41 219	87 857	61 244
Crew expenses	13 042	13 672	25 501	23 855
Vessel costs	2 241	2 689	7 075	9 185
Other operating expenses	3 760	4 681	6 807	7 389
Total operating expenses	19 043	21 042	39 383	40 429
Gross profit	29 755	20 177	48 474	20 815
Depreciation	11 090	14 752	22 346	23 154
Operating profit	18 665	5 425	26 128	-2 339
Interest income	11	119	45	119
Financial income	0	212	0	257
Interest expenses	12 810	12 164	24 855	25 179
Financial expenses	7 933	8 176	10 444	10 806
Net financial items	-20 732	-20 009	-35 254	-35 609
Profit before tax	-2 067	-14 584	-9 126	-37 948
Taxes	0	0	0	0
Profit / loss for the period	-2 067	-14 584	-9 126	-37 948



REM SALTIRE - BALANCE SHEET

NOK 1.000

	31.12.2019	31.12.2018
ASSETS		
Fixed assets		
Vessels	330 882	352 510
Total tangible fixed assets	330 882	352 510
Total fixed assets	330 882	352 510
Trade debtors	18 998	13 428
Other short-term receivables	4 701	3 551
Bank deposits	10 844	8 901
Total current assets	34 543	25 880
TOTAL ASSETS	365 425	378 390
EQUITY AND LIABILITIES		
Share capital	21 000	21 000
Other paid-in capital	47 649	47 649
Other equity	-9 126	0
Total equity	59 523	68 649
Bond loan	284 000	293 000
Total long term liabilities	284 000	293 000
Trade creditors	2 561	3 531
Public duties payable	0	0
Instalments next period	9 000	9 000
Other short term liabilities	10 342	4 210
Total short term liabilities	21 903	16 741
TOTAL EQUITY AND LIABILITIES	365 425	378 390



REM SALTIRE AS CASH FLOW STATEMENT

Numbers in NOK 1.000	2H 2019	2H 2018	2019	2018
Operating result	-2 068	-14 584	-9 126	-37 948
Periodical maintenance (drydocking)	-716	0	-716	-27 190
Depreciation	11 089	14 752	22 345	23 154
Changes in accounts receivables	-2 890	-6 210	-5 570	-13 428
Changes in accounts payable	-628	2 668	-970	3 531
Changes in other working capital	3 969	7 873	4 979	947
Exchange rate effects on operating activities	0	0	0	0
Net cash from operating activities	8 756	4 499	10 942	-50 934
Net cash from investment activities	0	0	0	0
Proceeds from borrowings	0	0	0	0
Repayment of borrowings	-4 500	-4 500	-9 000	-48 000
Change in intercompany balances	0	0	0	49 888
Share issue	0	0	0	40 000
Net cash from financing activities	-4 500	-4 500	-9 000	41 888
Net changes in cash	4 256	-1	1 942	-9 046
Cash in the start of the period	6 588	8 902	8 902	17 948
Cash in the end of the period	10 844	8 901	10 844	8 902