

Statement of financial position

| NOK million | Note | 04.09.2018 | 31.12.2017 |
|---|------|--------------|--------------|
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | 0.0 | 0.1 |
| Investment in subsidiaries | 3 | 12.0 | 37.8 |
| Other non-current assets | | 0.0 | 3.2 |
| Total non-current assets | | 12.0 | 41.1 |
| Current assets | | | |
| Trade and other receivables | | 24.3 | 12.8 |
| Receivables from companies in the Group | | 0.0 | 2.5 |
| Receivables from related parties | | 0.0 | 2.1 |
| Cash and cash equivalents | | 519.1 | 182.2 |
| Total current assets | | 543.3 | 199.5 |
| Total assets | | 555.3 | 240.6 |
| EQUITY | | | |
| Capital and reserves attributable to equity holders of the Company | | | |
| Share capital | 2 | 210.4 | 210.4 |
| Other equity | 2 | 5.7 | -0.4 |
| Total equity | | 216.1 | 210.0 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Other non-current liabilities | | 0.0 | 2.3 |
| Total non-current liabilities | | 0.0 | 2.3 |
| Current liabilities | | | |
| Trade payables | | 0.3 | 5.3 |
| Provisions | | 4.1 | 8.5 |
| Other current liabilities | | 19.1 | 14.5 |
| Dividend | 2 | 315.6 | 0.0 |
| Total current liabilities | | 339.2 | 28.3 |
| Total liabilities | | 339.2 | 30.6 |
| Total equity and liabilities | | 555.3 | 240.6 |

Oslo, September 20, 2018
The Board of Directors of Sevan Marine ASA


Erling Øverland
Chairman


Hilde Adland
Board Member


Astrid Jørgenvåg
Board Member


Torstein Sanness
Board Member


Kathryn M. Baker
Board Member


Line Bliksmark
Employee Representative


Reese McNeel
CEO

Selected notes to the interim Balance Sheet

1. Accounting policies

Sevan Marine ASA's ('the Company's') interim balance sheet has been prepared in accordance with the Accounting Act and generally accepted accounting principles in Norway. The objective with the interim Balance Sheet is to have a basis for distribution of Dividend to the Shareholders, according to the Norwegian Companies Act.

The accounting policies adopted in the preparation of the interim Balance Sheet are consistent with those followed in the preparation of the Annual Financial Statements for the year ended December 31, 2017.

2. Statement of changes in equity

| <i>NOK million</i> | Share capital | Share premium | Other equity | Total equity * |
|---------------------------|---------------|---------------|--------------|----------------|
| January 1, 2018 | 210.4 | 0.0 | -0.4 | 210.0 |
| Dividend | | | -315.6 | -315.6 |
| Share-based payments | | | 1.4 | 1.4 |
| Annual net profit/(loss) | | | 320.4 | 320.4 |
| September 04, 2018 | 210.4 | 0.0 | 5.7 | 216.1 |

| <i>NOK million</i> | Share capital | Share premium | Other equity | Total equity |
|--------------------------|---------------|---------------|---------------|--------------|
| January 1, 2017 | 210.4 | 122.9 | -116.9 | 216.4 |
| Reclassification | | -122.9 | 122.9 | 0.0 |
| Annual net profit/(loss) | | | -6.3 | -6.3 |
| December 31, 2017 | 210.4 | 0.0 | -0.4 | 210.0 |

* A capital reduction and repayment to shareholders of NOK 26.8 million was approved at the Annual General Meeting dated 24 May 2018, and a further capital reduction with repayment to shareholders of NOK 105.2 million was approved at the Extraordinary General Meeting dated 6 July 2018. The total capital reduction with repayment to shareholders of NOK 132.0 million has however not been registered in the company register "Foretaksregisteret" per 4 September 2018, and is therefore not included in the figures above.

3. Investment in subsidiaries

Investment in subsidiaries as of 4 September, 2018:

| Subsidiaries | Registered office | Cost price | No of shares | Write-downs | Capital Increase | Book value | Shareholder interest |
|-------------------------|-------------------|---------------|--------------|-------------|------------------|-------------|----------------------|
| Sevan Holding V AS | Norway | 2099.8 | 10,000 | | | 0.0 | 100 % |
| Sevan Asia Ptd Ltd | Singapore | 25.1 | 5,100,998 | 1.0 | | 12.0 | 100 % |
| Total book value | | 2125.0 | | 1.0 | 0.0 | 12.0 | |

Investment in subsidiaries as of 31 December, 2017:

| Subsidiaries | Registered office | Cost price | No of shares | Write-downs | Capital Increase | Book value | Shareholder interest |
|-------------------------|-------------------|---------------|--------------|-------------|------------------|-------------|----------------------|
| Sevan Holding V AS | Norway | 2099.8 | 10,000 | | | 0.0 | 100 % |
| Hiload LNG AS | Norway | 24.8 | 24,797,341 | | 2.8 | 24.8 | 95 % |
| Sevan Asia Ptd Ltd | Singapore | 25.1 | 5,100,998 | 3.3 | | 13.0 | 100 % |
| Total book value | | 2149.8 | | 3.3 | 2.8 | 37.8 | |



4. Transaction

Sevan Marine ASA entered into an agreement with Sembcorp Marine Integrated Yards Pte. Ltd. ("SMIY", a subsidiary of Sembcorp Marine group listed on the Singapore Stock Exchange) on 7 June 2018, and the transaction was completed 4 September 2018. SMIY has acquired interests and title to all of Sevan Marine's intellectual property and proprietary business, employees, the shares of HiLoad LNG AS and to certain other defined assets against cash consideration of USD 39,000,000. Sevan Marine retains its net cash position, the Dana Western Isles license agreement and the financial benefit of the Shell Penguins license agreement.

A gain on the transaction of NOK 307 million has been booked as income in the accounts of Sevan Marine ASA.

5. Events after balance sheet date

On September 4, 2018 the transaction with Sembcorp Marine Integrated Yard Pte Ltd was completed. As the Transaction constitutes a change of control event under the existing employee share option program, the Board of Directors of the Company resolved to terminate the Company's share incentive program against cash consideration. All 890,072 outstanding options were considered fully vested at a strike price of NOK 10 and a fair value of the shares of NOK 14.50 each. The employees under the share option program have accordingly received NOK 4.50 per option, corresponding to total consideration of NOK 4,005,324.



INDEPENDENT AUDITOR'S REPORT

To the Extraordinary Shareholders Meeting in Sevan Marine ASA

Auditor's report on interim balance sheet

Opinion

We have audited the accompanying interim balance sheet of Sevan Marine ASA as at 4. September 2018, showing an equity of NOK 216.1 million. The interim balance sheet comprises the balance sheet and notes to the interim balance sheet. The interim balance sheet is prepared by the Board and CEO by applying the accounting principles described in note one to the interim balance sheet.

In our opinion, the interim balance sheet presents fairly, in all material respects, the financial position of the Company as at 4. September 2018, in accordance with accounting principles described in Note 1 to the interim balance sheet.

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the interim balance sheet* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the interim balance sheet in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have fulfilled our 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.

Basis for the interim balance sheet and limited distribution

We draw attention to Note 1 to the interim balance sheet, describing the basis for the preparation. As the interim balance sheet has been prepared to enable Sevan Marine ASA to carry out distribution of dividends (ASAL § 8-1), it is not considered suitable for other purposes.

Management's responsibility for the interim balance sheet

Management the Board and CEO is responsible for the preparation of this interim balance sheet as described in note one and for such internal control as management determines is necessary to enable the preparation of the interim balance sheet that is free from material misstatement, whether due to fraud or error.

In preparing the interim balance sheet, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the interim balance sheet

Our objectives are to obtain reasonable assurance about whether the interim balance sheet 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 law, regulations and generally accepted auditing principles in Norway, including International Standards on Auditing (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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this interim balance sheet.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ identify and assess the risks of material misstatement of the interim balance sheet, whether due to fraud or error, 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;
- ▶ 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'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 interim balance sheet 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 to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the interim balance sheet, including disclosures, and whether the interim balance sheet represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Oslo, 20. September 2018
ERNST & YOUNG AS



Asbjørn Rødal
State Authorized Public Accountant (Norway)