Fearnley Project Finance

MARKET REPORT 2019

DIRECT INVESTMENTS IN SHIPPING, OFFSHORE AND REAL ESTATE

150 YEARS

1869 • 2019

ASTRUP FEARNLEY

Fearnley Project Finance

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Purchase agreement, charter parties and corporate documentation such as partnership agreement and other relevant documentation, can be obtained from FPF.

Dear Investor

We are pleased to present our latest shipping, offshore and real estate market report with updated valuations of our current projects under management year end 2018. Purchase and sales activity along with current projects and historical returns can be found later in the report.

During 2018 investor confidence and sentiment was strong for real estate. Shipping took a breather compared to a very active 2017, but activity was sound. Offshore continued to be gloomy, albeit with glimmers of hope and outlook for better markets. Approximately 35% of the total Norwegian real estate transaction volume in 2018 was arranged and syndicated by the likes of Fearnley Project Finance. Investors in real estate and shipping projects are dominated by private investment companies, family offices, industrial and institutional investors including foreign capital. Prevailing high activity, is a confirmation that our business model is efficient and attractive. Capital can be exposed to single assets and structures in a cost-efficient way and flexibility to realize the asset at any given point in time. Listed shipping companies have experienced tough times in 2018. Amid appreciating asset values, share prices have not followed, while net asset value in a project will always reflect market value when a vessel is sold.

The weight of capital searching real estate is clearly in favour of value-add projects in locations well positioned for rental growth, such as office in Oslo. Pre-committed capital, foreign and domestic, are searching relentlessly to find assets that will live up to a defined rate of return. Such projects can be both rewarding and challenging to work with, however there is also a risk that a property's potential is overvalued, and the time to completion is underestimated. We share the excitement for such investments, although knowing there is nowhere to hide and no off sets to be made for a single purpose company in a less sunny market.

Many investors are likely to have a mixed bag of real estate projects. Predictable cash-flow projects are still attractive given its ability to provide an annual ~ 10% contribution to initial equity. Financing is readily available, although generally at a lower loan-to-value, thereby having reduced the overall gearing in the real estate market considerably over the last few years.

Fearnley Project Finance wish to possess the necessary skillset and network to be a provider of a wide range of projects and form long-term relationships with our partners and shareholders. Coordinating strengths and bringing projects and people together is something we take great pride and joy in doing. We will continue to search for attractive opportunities. For real estate, this implies predominantly in our home market in and around Oslo, but also higher yielding assets in other major Norwegian cities. Our most important criteria remain unchanged; underlying rental demand at the specific location, satisfactory rental level, counterparty risk as well as property value per square meter.

Shipping and offshore will continue its opportunistic asset play as long as assets are priced at historically low levels. Especially in the tanker space, we expect appreciating values triggered by growing demand, modest supply and new regulations (low sulphur) creating volume and volatility. Dry bulk and container, darlings of 2017 and partly 2018, have taken a beating over the last 2-3 months. In our view, the fundamentals remain positive for a strong market ahead. There will be good purchase opportunities in these segments as well. Yield has been favoured amongst most shipping investors, and until recently, it seemed logic to pursue this in dry and container. Now, the picture may have changed, and asset play may be as good as the fixed income a bareboat charter offers.

As our portfolio is growing, currently valued at NOK 10 billion, active and professional management will play an even more important role. Most of our investors appreciate the high quality of our business management services. For real estate, we will further expand our asset management services. During 2018 our asset management team successfully renegotiated several large lease contracts in our portfolio, adding significant value to our shareholders.

In 2018 we established a total of 20 projects equivalent to NOK 3.2 billion. In total 9 projects were sold, at an average IRR of ~28 % for real estate and ~18 % for shipping.

We thank all our partners, investors, lenders and service providers for your support and remain at your disposal for discussions related to running projects and new ventures.

Haakon Shetelig
Managing Partner, Real Estate

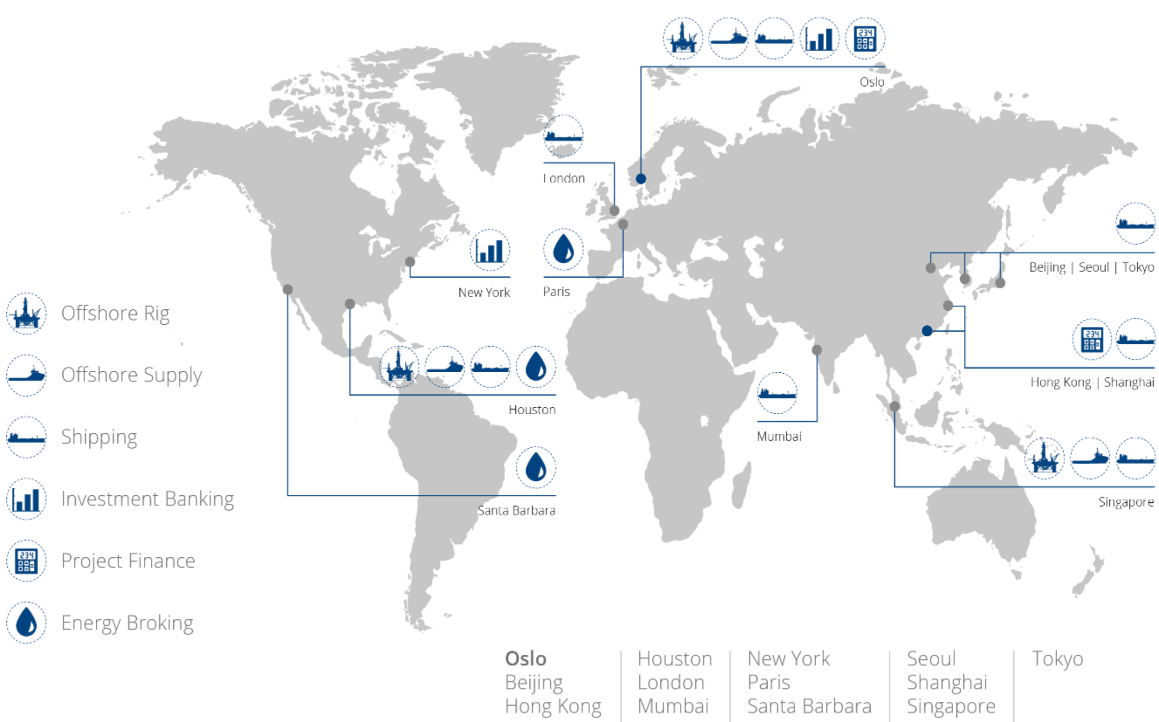
Tor Kildal
Managing Partner, Shipping & Offshore

Global network within shipping, offshore, energy and finance

The Astrup Fearnley service offerings

Capital Markets	Offshore	Shipping	Energy Trading
Fearnley Project Finance **Fearnley Securities**	**Fearnley Offshore Rig** **Fearnley Offshore Supply**	**Fearnleys**	**Libra Fearnley Energy**
Oslo | New York | Hong Kong	**Oslo | Houston | Singapore**	**Oslo | Tokyo | Seoul | Beijing | Shanghai | Hong Kong | Singapore | Mumbai | London**	**Paris | Houston | London | Santa Barbara**
Fearnley Project Finance specializes in direct investments in real estate, shipping and offshore Fearnley Securities is a leading investment bank with a concentrated focus on maritime and energy industries	Chartering of Drilling Rigs, Supply- and FPSO Vessels Newbuildings, Sale and Purchase of Second-Hand Rigs and Drillships Advisory, Research and Consultancy Services	Chartering of Tankers, Bulk, LPG, LNG, RoRo and Car carriers Newbuildings, Sale and Purchase of second-hand vessels, Advisory, Research and Consultancy Services	International oil broker, serving more than 200 oil and petrochemical companies. Products include nafta, gasoil, LPG, refined feedstocks, residual fuel oils and OTC derivatives

The Astrup Fearnley global network



The Astrup Fearnley Global Network

The Astrup Fearnley group celebrates 150 years

Today, 150 years after our founder opened his modest office in Oslo, the Astrup Fearnley Group is firmly established as a leading provider of maritime advisory and brokerage services with a strong global presence.

2019 marks a special year in Astrup Fearnley's history as it represents the 150th anniversary since Mr. Thomas Fearnley established his shipbroking and agency business in Oslo, Norway, thereby planting the flag for what Astrup Fearnley is today.

Fearnleys traces its history back to 1869 when its founder, Thomas Fearnley, established a shipbroking and agency business in Christiania, as the city of Oslo was known in those days. The little company soon prospered and engaged in, among others, the trade in lumber, wine, pitch and ice. By 1881, the partnership of Fearnley & Eger established the Christiania Steamship Company which contracted two newbuildings at the the Kockums Shipyard in Malmø.

In the beginning of the 1900s, Fearnley & Eger became, more or less, a shipowning company and invested in ever larger units. The company engaged in both liner and tramp activities, and survived the two world wars. In addition to these shipowning activities, the firm continued to engage in developing its skills in the area of shipping services and was engaged primarily in the area of dry cargo shipbroking. As the tanker industry started to develop at the beginning of the 20th century, Fearnleys became enthusiastically involved in this new field of endeavour. Later on, when the transportation of gas by sea became an important area of commerce, Fearnleys developed a broking department which specialized in this new commodity. All in all, the history of the company has been closely focused on the concept of innovation; whenever new ideas and new industries developed which required seaborne transportation, Fearnleys was quickly on the scene.

As the 20th century progressed, the need for brokerage services for the transportation industry became so great that Fearnleys began to develop these (along with related ancillary services) as its principal business area. Always on the cutting edge of new trends, the company became involved in car carrier transportation in the 1960s, offshore and rig broking in the 1970s, coinciding with the onset of the development of the Norwegian continental shelf offshore oil fields, and energy trading and financial services in the 1980s. Fearnleys was also a pioneer in the development of industry research and consultancy services, and has been involved in monitoring and analysing shipping markets since the early 1960s when Fearnresearch was first established.

In the 1980s, Fearnley Project Finance was established to cater to family offices and ship owners in direct investments in real estate, shipping and offshore.

The Astrup Fearnley Group represents a proud history of growth and excellence in the areas of shipping and offshore services. This fascinating legacy is a success story created by generations of the Astrup Fearnley Family and generations of hard working and committed professionals. We believe it is a story worth telling.

About | Fearnley Project Finance

Fearnley Project Finance, a subsidiary of the Astrup Fearnley Group, is a fully integrated project finance house. We specialize in structuring and financing direct investments in shipping and real estate projects for private investment companies and institutional investors, both in Norway and internationally.

The Astrup Fearnley group can trace its history back to 1869 when Thomas Fearnley established a shipping and agency business in Oslo, Norway. Today the Astrup Fearnley Group employs approximately 350 people across the world through its offices in Europe, US and Asia.

Fearnley Project Finance AS was established in 1981. Its inception came as a direct result of an increased demand among investors for direct investments within the shipping segment. Capital was scarce for shipowners and Fearnley Project Finance found its niche as a provider of financing to a variety of shipping projects.

Fearnley Project Finance's entry into real estate started with the economic downturn in the late 1980's and beginning of the 1990's. A sharp decrease in demand and high interest rates pushed real estate prices to a record low. Fearnley Project Finance saw this as an opportunity for their investors to enter the real estate market at attractive levels.

Fearnley Project Finance was the first project broking house in Norway and is recognised for integrity, professionalism and speed of execution. Being part of the Astrup Fearnley Group allows Fearnley Project Finance to utilize the Groups resources and expertise within business areas such as shipping, offshore, consulting, equity and debt capital markets. Today, the Fearnley Project Finance team, consisting of 30 professionals of which about half are project brokers and half are business managers. We manage a portfolio of approx. NOK 10.3 billion whereof abt. 60% is real estate and 40% shipping and offshore.

The real estate portfolio is spread on offices, retail, logistics, industrial, development and residential. Shipping and offshore is diversified as well with projects ranging from commodity-based shipping such as dry bulk and tank, to offshore and industrial shipping. Furthermore, the shipping & offshore team aims to provide its clients with the best risk-reward through a wide range of structures, from sale-leasebacks, to asset-backed bond structures and pure equity investments.

Business Areas & Value Chain

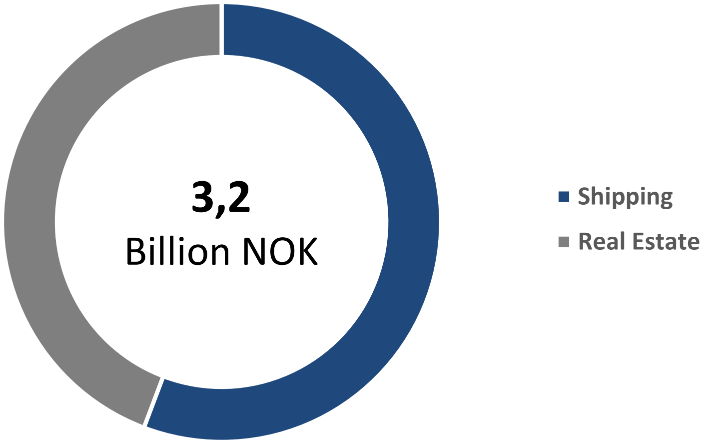
Structuring & syndication	Business Management	Valuation & secondhand trading	Asset management	Exit
• Identifying and presenting investment opportunities • Optimizing capital structure between debt and equity • Due diligence, negotiations and closing	• Dividend payments • Cash flow budgeting • Covenant compliance management • Tax reporting • Commercial follow-up • Annual reporting for the SPC/SPV	• Quarterly valuations based on underlying asset values (NAV) and traded shares • Facilitate and execute second hand trade • Newsletter with buy and sell interest, and latest transactions	• Identifying and executing value-add opportunities • Commercial follow-up • Project management	• Continuously consideration of exit based on hold/sell analysis and market forecasts • Due diligence, negotiations and closing

Fearnley Project Finance Portfolio

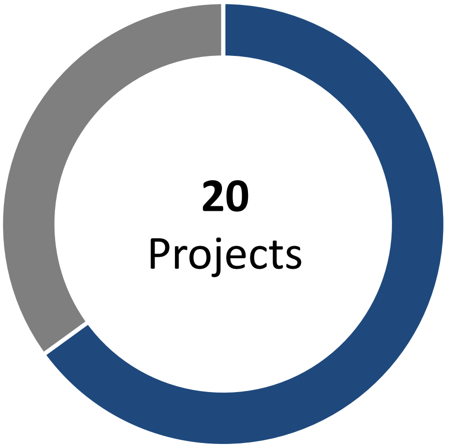
A total of 20 shipping and real estate projects were established, with a total value of about NOK 3,2 bn (USD 366 m). The current real estate portfolio is experiencing growth, and consists of a wide variety of projects totalling NOK 6,8 billion. On the shipping side, the managed portfolio increased by abt. 50 %, both in terms total project value, and net asset value. This is mainly due to the net portfolio increase of 6 vessels and 5 projects, but is also due to organic growth in the portfolio. 2018, as for 2017, was dominated by asset play projects. However, in 2018 we established 4 projects with contract coverage of 3 years or more.

Activity in 2018

Established projects 2018

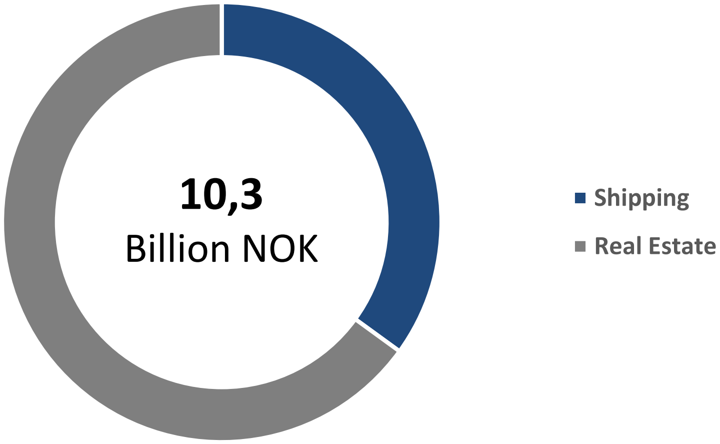


# of projects established 2018

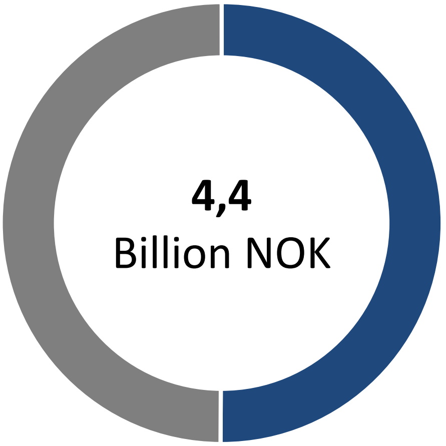


Current Portfolio

Portfolio value



Portfolio NAV



Fearnley Project Finance

REAL ESTATE

About | Fearnley Project Finance Real Estate

Fearnley Project Finance Real Estate was established to offer its investors direct investments in real estate. Since the company began facilitating, the concluded projects structured and financed by Fearnley Project Finance has yielded a weighted average return on equity (IRR) of approximately 35 % p.a and weighted average nominal return of 106 %.

Fearnley Project Finance Real Estate is able to offer a full range of property services for our investors. Through our subsidiaries, Fearnley Business Management and Property Management Norge, we offer services within cash management, tenant follow-up, contact with suppliers and banks, and commercial and technical management of the properties.

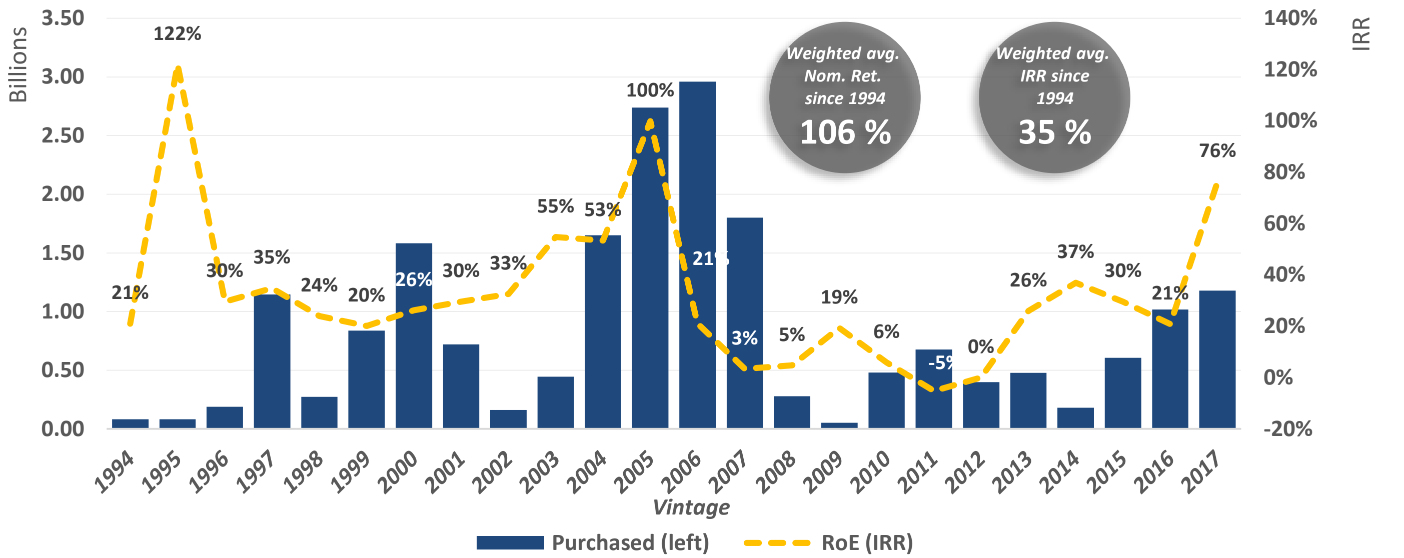
Our Asset Managers provide valuable commercial insight in project assessment, establishing and executing business plans mainly related to value-add projects. Asset management also provides service to established projects by identifying value add potential or conserving value through active management. Asset Management provides all-inclusive service through tenant management, identification and execution value-add opportunities, and project development follow-up.

Fearnley Project Finance currently manages a real estate portfolio of approximately NOK 6,8 billion. The portfolio of assets under management and second hand sale of projects facilitate strong and consistent contact with the market, brokers and existing and new investors.

With our strong market presence and extensive network, Fearnley Project Finance are able to capitalize on projects through structured processes, semi off-market and off-market deals. Our dynamic team enables us to participate in a wide array of investment opportunities, ranging from prime office locations to retail, logistics and even full scale development projects. This diversity has enabled us to deliver stable and strong returns for our investors for more than twenty years.

Track Record

Weighted average IRR by vintage year[1]



Note 1: The year in which the first influx of investment capital was delivered to a project.

	#	Purchased (MNOK)	Sold (MNOK)	Volume (MNOK)	Nom. Ret.	IRR *
Last year	11	1 406	704	2 110	n/a**	n/a**
Last 3 years	35	3 603	2 087	5 690	88 %	50 %
Last 5 years	53	4 390	3 289	7 679	87 %	42 %
Last 10 years	88	6 474	6 001	12 475	66 %	17 %
Last 15 years	164	15 897	16 052	31 949	62 %	37 %
Since 1994	**222**	**21 416**	**18 122**	**39 538**	**106 %**	**35 %**
Average holding period (project duration)						**4,2 years**

** Weighted average return on equity on concluded projects*

*** No realised investments, see est. returns (unrealised) for the current portfolio*

CONCLUDED PROJECTS

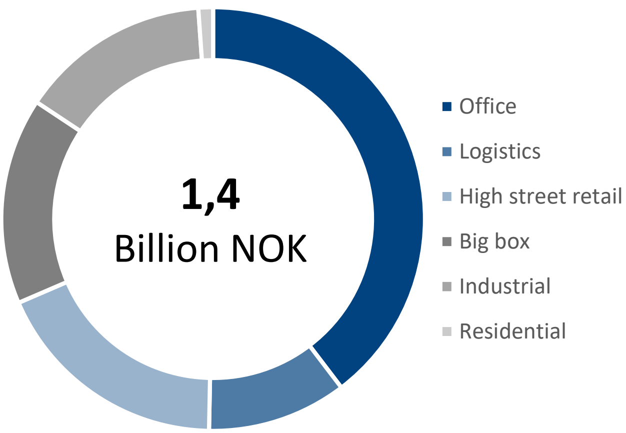
Project	Segment	Established	Concluded	Duration	Initial value	Exit value	Paid in capital	Nominal Return (NOK)	Nominal return (%)	IRR
Olavsgård Kontorsenter KS	Combined	1994	1999	5 years	82 400 000	85 750 000	8 924 000	n/a	n/a	21 %
Lørenskog Næringspark KS	Combined	1995	1998	3 years	82 000 000	253 500 000	16 200 000	n/a	n/a	122 %
Kjelsåsveien 161 KS 1	Combined	1996	1999	3 years	97 380 000	100 250 000	10 375 000	12 125 000	117 %	32 %
Lørenfaret 1b KS	Combined	1996	1999	3 years	29 550 000	55 000 000	5 486 500	5 303 500	97 %	53 %
Haugerud Senter KS	Combined	1996	2005	9 years	61 100 000	67 000 000	10 450 000	16 035 000	153 %	16 %
TEBO Senteret KS	Retail	1997	1999	2 years	18 760 000	23 500 000	2 000 000	5 316 000	266 %	94 %
Ekofiskvegen 1 KS	Combined	1997	2000	3 years	712 000 000	696 000 000	114 320 000	85 680 000	75 %	31 %
Fyrstikktorget KS	Office	1997	2000	3 years	215 000 000	249 673 141	20 000 000	70 000 000	350 %	70 %
Knudsrødveien 7 KS	Combined	1997	2005	8 years	32 240 000	37 000 000	4 000 000	17 821 500	446 %	26 %
Kjølberggaten 31 KS	Office	1997	2006	9 years	64 577 524	70 000 000	6 000 000	19 075 000	318 %	16 %
Grensesvingen 9 Eiendom KS	Combined	1997	2011	14 years	103 780 000	164 000 000	13 000 000	90 245 000	694 %	17 %
Jernkroken 16 KS	Combined	1998	2005	7 years	53 295 000	49 000 000	6 000 000	9 105 000	152 %	14 %
Dusavik Næringspark KS	Combined	1998	2005	7 years	67 240 000	121 500 000	10 000 000	60 909 000	609 %	37 %
Ole Deviksvei KS	Office	1998	2006	8 years	114 600 000	150 000 000	14 200 000	38 957 000	274 %	19 %
Smestadgård KS	Office	1998	2006	8 years	39 270 000	55 750 000	4 560 000	19 511 000	428 %	26 %
Kjelsåsveien 161 KS 2	Combined	1999	2002	3 years	21 500 000	102 500 000	17 300 000	8 032 000	46 %	20 %
Breigata 10 KS	Office	1999	2005	6 years	41 000 000	39 000 000	5 500 000	11 060 000	201 %	22 %
Lørenfaret KS	Combined	1999	2006	7 years	55 000 000	105 000 000	7 350 000	33 433 000	455 %	31 %
Fyrstikkalleen 1&3 KS	Office	1999	2006	7 years	247 000 000	270 000 000	27 000 000	40 285 000	149 %	12 %
Sven Oftedals vei 2-8 KS	Combined	1999	2007	8 years	148 112 500	263 400 000	21 000 000	129 767 000	618 %	36 %
VVS Huset KS	Combined	1999	2007	8 years	44 127 000	113 000 000	78 150 000	28 167 000	36 %	20 %
Grini Næringspark KS	Office	1999	2011	12 years	54 070 000	54 500 000	11 500 000	2 272 000	20 %	2 %
Kjeller Teknologipark KS	Office	1999	2011	12 years	179 625 000	262 000 000	7 000 000	113 183 000	1617 %	30 %
Millennium Property KS	Residential	1999	2013	14 years	46 125 000	n/a	14 000 000	43 500 000	311 %	19 %

Concluded Projects continued

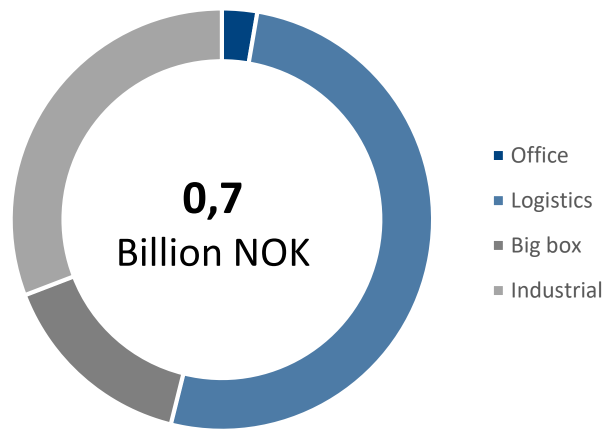
Forus Næringseiendom KS	Office	2000	2002	2 years	101 520 000	110 000 000	11 000 000	7 726 000	70 %	21 %
Dagligvare Invest KS	Retail	2000	2003	3 years	75 030 000	89 500 000	7 900 000	9 013 000	114 %	29 %
Økernveien 9 KS	Office	2000	2003	3 years	172 500 000	211 250 000	15 000 000	22 545 000	150 %	28 %
Fredrik Selmersvei 2 KS	Office	2000	2004	4 years	180 000 000	207 375 000	21 900 000	15 200 000	69 %	13 %
Karenslyst Alle 16 KS	Office	2000	2004	4 years	181 500 000	197 000 000	22 000 000	21 336 000	97 %	20 %
Fridtjof Nansens vei 12 KS	Office	2000	2005	5 years	132 000 000	146 000 000	15 000 000	15 180 000	101 %	17 %
Raufoss Næringspark KS	Industrial	2000	2006	6 years	660 000 000	1 010 000 000	70 000 000	336 003 000	480 %	40 %
Chr. Kroghsgate 30 KS	Office	2000	2006	6 years	79 436 500	172 000 000	14 000 000	421 095	3 %	0 %
St. Olavs Plass KS	Office	2001	2003	2 years	87 750 000	93 000 000	12 650 000	3 328 000	26 %	17 %
Notodden Næringspark KS	Combined	2001	2004	3 years	50 000 000	70 700 000	7 000 000	15 624 000	223 %	47 %
Midtunlia 73 KS	Logistics	2001	2005	4 years	59 000 000	82 250 000	5 250 000	16 724 000	319 %	41 %
Dagligvare Oslo Eiendom KS	Retail	2001	2005	4 years	67 500 000	94 000 000	3 510 000	16 800 000	479 %	49 %
Fredensborgveien 24-26 KS	Office	2001	2005	4 years	131 400 000	170 000 000	15 150 000	34 761 000	229 %	27 %
Haslevangen 16 KS	Office	2001	2006	5 years	40 750 000	38 000 000	4 500 000	-775 000	-17 %	-4 %
Økern Park KS	Office	2001	2007	6 years	285 000 000	371 500 000	35 000 000	83 198 000	238 %	33 %
Dagligvare Østlandet KS	Retail	2002	2005	3 years	119 140 000	145 000 000	9 150 000	10 903 000	119 %	30 %
Ålesund Hagesenter KS	Retail	2002	2005	3 years	41 300 000	56 000 000	5 200 000	7 705 000	148 %	38 %
Nydalen Eiendomsinvest KS	Office	2003	2004	1 years	163 300 000	210 000 000	34 100 000	41 601 000	122 %	70 %
Pilestredet Utsyn AS	Residential	2003	2005	2 years	34 850 000	44 880 000	13 500 000	n/a	n/a	88 %
Drammen Fjordpark KS	Combined	2003	2006	3 years	124 000 000	168 000 000	21 300 000	44 300 000	208 %	49 %
Union Eiendomsinvest AS	Office	2003	2007	4 years	90 200 616	121 800 000	16 600 000	43 993 000	265 %	41 %
Wexelsplass AS	Residential	2003	2012	9 years	32 750 000	n/a	20 000 000	90 516 000	453 %	24 %
Karenslyst Alle 12-14 KS	Office	2004	2005	1 years	410 000 000	495 000 000	90 000 000	64 407 000	72 %	70 %
Forus Eiendomsinvest KS	Office	2004	2005	1 years	185 000 000	214 770 000	41 000 000	28 334 000	69 %	65 %
Borgestad Eiendom KS	Combined	2004	2006	2 years	128 625 000	151 000 000	22 000 000	20 131 000	92 %	68 %
Askim Næringspark KS	Combined	2004	2007	3 years	79 000 000	248 000 000	14 800 000	40 708 000	275 %	58 %
SkøyenHagen AS	Residential	2004	2008	4 years	800 530 000	1 001 540 000	74 114 000	107 202 000	145 %	27 %
Union Universitetsboliger AS	Residential	2004	2011	7 years	46 292 700	46 028 500	7 300 000	3 027 000	41 %	5 %
Hotell Eiendom AS	Hotel	2005	2005	0 years	1 455 887 000	1 592 100 000	190 260 000	82 249 000	43 %	110 %
Høyden Eiendom KS	Industrial	2005	2006	1 years	129 000 000	169 433 000	21 900 000	37 195 000	170 %	92 %
Asker Eiendomsinvest AS	Combined	2005	2006	1 years	540 000 000	668 000 000	54 000 000	117 492 000	218 %	160 %
Skøyen Næringseiendom AS	Development	2005	2006	1 years	402 000 000	n/a	71 120 000	28 880 000	41 %	66 %
Drammen Eiendom Invest KS	Combined	2005	2007	2 years	94 000 000	115 000 000	20 900 000	20 180 000	97 %	39 %
Kongensgt. 22 Eiendomsinvest AS	Office	2005	2007	2 years	117 150 000	143 000 000	20 000 000	15 977 000	80 %	34 %
Borg Logistikkbygg AS	Combined	2006	2006	0 years	449 000 000	492 500 000	89 000 000	38 898 000	44 %	61 %
Leangbukta Marina AS	Logistics	2006	2007	1 years	105 000 000	115 737 500	27 500 000	11 401 000	41 %	55 %
AK Eiendomsinvest AS	Industrial	2006	2012	6 years	616 500 000	750 000 000	105 000 000	75 677 000	72 %	10 %
Hotellinvest Holding KS	Hotel	2006	2012	6 years	660 990 000	571 340 000	138 000 000	59 121 000	43 %	7 %
Helsfyr Eiendomsinvest KS	Office	2006	2012	6 years	270 000 000	299 000 000	61 650 000	50 150 000	81 %	10 %
Leiraveien Holding KS	Logistics	2006	2015	9 years	107 500 000	119 500 000	18 500 000	20 190 000	109 %	9 %
Trondheimsveien Eiendomsinvest KS	Office	2006	2016	10 years	164 500 000	159 500 000	20 640 000	-7 640 000	-37 %	-4 %
Pilestredet Park Invest AS	Residential	2007	2009	2 years	98 000 000	n/a	45 000 000	15 805 000	35 %	9 %
Sven Oftedalsvei Holding KS	Office	2007	2011	4 years	263 400 000	288 000 000	49 700 000	17 790 000	36 %	7 %
Uddevalla Eiendomsinvest AS	Residential/off	2007	2011	4 years	86 130 000	84 041 100	16 550 000	-1 553 000	-9 %	-2 %
Oslo Vest Handelseiendom AS	Retail	2007	2011	4 years	183 500 000	192 960 000	39 300 000	4 790 000	12 %	3 %
Vinterbro Eiendomsinvest AS	Logistics	2007	2015	8 years	227 500 000	185 500 000	49 506 000	-7 036 000	-14 %	-2 %
Kjelsåsveien Invest AS	Office	2007	2016	9 years	124 000 000	130 500 000	23 500 000	9 836 000	42 %	3 %
Sentrumshotell Holding KS	Hotel	2007	2017	10 years	146 000 000	60 000 000	33 320 000	4 437 000	13 %	1 %
Millennium Property II AS	Residential	2008	2013	5 years	23 250 000	n/a	23 250 000	13 008 000	56 %	17 %
Logistikkbygg AS	Logistics	2008	2014	6 years	134 100 000	168 000 000	37 630 000	32 901 000	87 %	12 %
Tunsberghus Eiendom AS	Office	2008	2017	9 years	120 000 000	118 000 000	23 500 000	-28 524 000	-121 %	-19 %
Torp Eiendomsinvest AS	Office	2009	2014	5 years	51 000 000	60 500 000	14 195 000	18 001 000	127 %	19 %
Sørlandsparken Eiendomsinvest AS	Retail	2010	2015	5 years	80 500 000	69 500 000	16 100 000	-2 372 000	-15 %	-4 %
Moss Eiendomsinvest AS	Office	2010	2016	6 years	71 280 500	74 000 000	18 000 000	7 498 000	42 %	7 %
Nordania Eiendom AS	Logistics	2010	2018	7 years	328 000 000	296 000 000	84 200 000	51 659 000	61 %	7 %
Løvenskioldsgate 1 Invest AS	School	2011	2015	4 years	86 900 000	142 000 000	18 000 000	48 730 000	271 %	32 %
Oslo Nord Eiendomsinvest KS	Office	2011	2015	4 years	124 076 000	139 250 000	26 000 000	20 434 000	79 %	16 %
Eikveien Holding AS	Logistics	2011	2016	5 years	91 000 000	137 500 000	18 700 000	38 225 000	204 %	26 %
Haslevangen Invest KS	Office	2011	2016	5 years	136 000 000	202 000 000	25 000 000	n/a	n/a	28 %
Rogaland Logistikkinvest AS	Logistics	2011	2017	6 years	200 000 000	125 343 000	43 500 000	-38 500 000	-89 %	-66 %
Pro Juventute KS	Retail	2013	2014	1 years	30 100 000	32 500 000	6 300 000	677 100	11 %	7 %
Drammen Handelsbygg KS	Retail	2013	2015	2 years	76 500 000	91 250 000	20 000 000	12 242 000	61 %	38 %
Sarpsfossen Utvikling KS	Office	2013	2015	2 years	77 600 000	103 000 000	20 750 000	n/a	n/a	33 %
Hoffsveien 48 AS	Office	2013	2016	3 years	140 000 000	160 000 000	36 600 000	28 364 000	77 %	18 %
Arendal Logistikkinvest AS	Logistics	2013	2018	5 years	47 250 000	64 400 000	12 500 000	24 388 000	195 %	28 %
Sola Eiendomsinvest AS	Office	2014	2015	1 years	79 280 000	91 000 000	19 500 000	9 763 000	50 %	37 %
Lahaugmoen Eiendomsinvest AS	Combined	2015	2017	3 years	197 750 000	216 000 000	41 200 000	42 706 000	104 %	30 %
Hoveveien Eiendomsinvest AS	Combined	2016	2018	2 years	110 000 000	126 500 000	35 700 000	22 200 000	62 %	21 %
KombiEiendom Skien AS	Industrial	2017	2018	1 years	165 300 000	217 000 000	40 500 000	44 500 000	110 %	76 %
Sum / weighted average				**4,2 years**	**15 778 000 000**	**18 122 000 000**	**2 740 000 000**	**2 899 000 000**	**106 %**	**35 %**

Activity in 2018

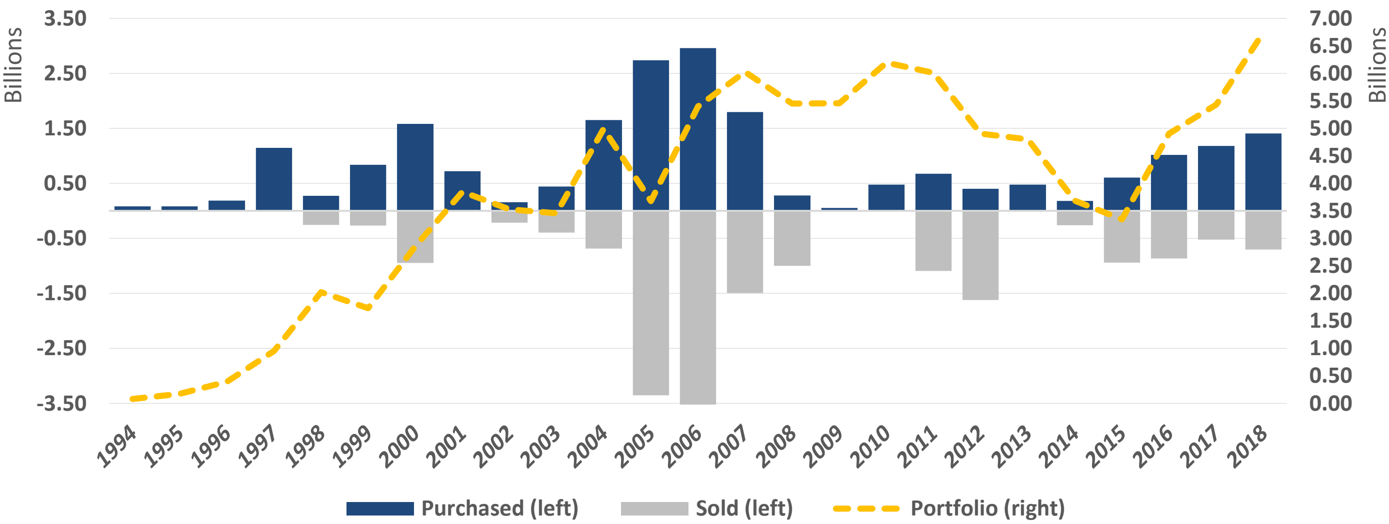
Established projects 2018



Sold projects 2018



Portfolio value 1994-2018



Office Development Logistics Industrial Retail Residential

Activity in 2018

Selection of projects established in 2018

Grensen 15 Holding AS

Property value (NOK)	272 000 000
Paid in capital (NOK)	85 000 000
Location	Oslo
Segment	Retail/Office
Building area (sq.m.)	3 270

Havnekvartalet Holding AS

Property value (NOK)	352 500 000
Paid in capital (NOK)	91 500 000
Location	Kristiansand
Segment	Office
Building area (sq.m.)	12 000

Vestfold Logistikkinvest AS

Property value (NOK)	150 000 000
Paid in capital (NOK)	50 500 000
Location	Borgeskogen
Segment	Logistics
Building area (sq.m.)	12 000

Industrieiendom Sørlandet AS

Property value (NOK)	204 800 000
Paid in capital (NOK)	66 500 000
Location	Mjåvann
Segment	Combined
Building area (sq.m.)	19 530

Handelseiendom Gjøvik AS

Property value (NOK)	224 200 000
Paid in capital (NOK)	72 000 000
Location	Gjøvik
Segment	Retail
Building area (sq.m.)	9 950

Midtbyen Invest AS

Property value (NOK)	95 000 000
Paid in capital (NOK)	31 500 000
Location	Trondheim
Segment	Mixed
Building area (sq.m.)	6 160

Selection of projects sold in 2018

Hoveveien Eiendomsinvest AS

Property value (NOK)	126 500 000
Paid in capital (NOK)	35 700 000
Location	Sandnes
Segment	Combined
Return (Total / IRR)	62 % / 21 %

Arendal Logistikkinvest AS

Property value (NOK)	64 400 000
Paid in capital (NOK)	12 500 000
Location	Arendal
Segment	Logistics
Return (Total / IRR)	195 % / 28 %

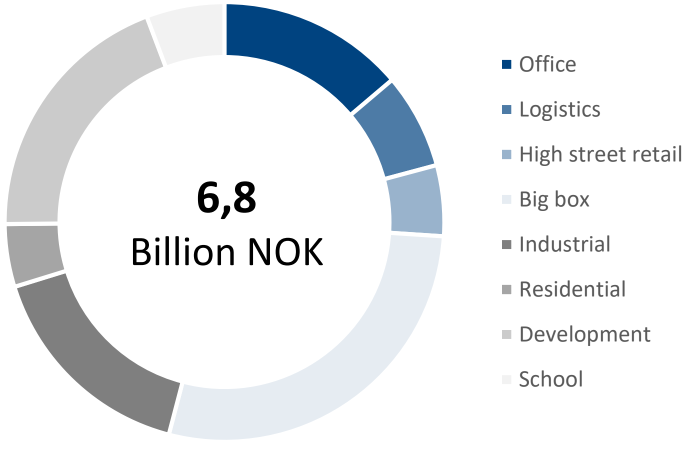
Kombieiendom Skien AS

Property value (NOK)	217 000 000
Paid in capital (NOK)	26 500 000
Location	Skien
Segment	Industrial
Return (Total / IRR)	110 % / 76 %

Current Portfolio

CURRENT PROJECTS

Project	Established	Segment	Building area	Estimated property value	Net yield	Gross rent 2019	Estimated NAV per 1 %	IRR Mid
Agder Kontorbygg AS	2012	Office	13 500	181 900 000	5,75 %	11 012 000	603 000	13 %
Avenyen Holding AS	2017	Retail	16 391	429 100 000	6,50 %	28 542 000	1 522 000	25 %
Avenyen Holding II AS	2017	Retail	10 504	174 400 000	7,25 %	13 451 000	258 000	81 %
Bogstadveien 48 Invest AS	2016	Retail/Residential	1 474	169 600 000	4,10 %	7 472 000	600 000	8 %
Dyrskueveien 5 KS	2013	Retail	7 721	158 700 000	5,50 %	9 013 000	731 000	28 %
Eiendomsselskapet Vest-Sverige AS	2007	Mixed	39 000	329 000 000	5,75 %	34 282 000	1 766 000	7 %
Glassverket Bolig AS	2017	Residential	4 800	162 140 000	n/a	n/a	80 088	n/a
Grensen 15 Holding AS	2018	Retail/Office	3 269	277 400 000	3,90 %	11 366 000	870 000	n/a
Hamar Eiendomsinvest KS	2010	Logistics	12 300	157 000 000	5,80 %	9 350 000	453 000	12 %
Handelseiendom Gjøvik AS	2018	Retail	10 006	230 300 000	6,00 %	14 343 000	758 000	n/a
Handelseiendom Invest AS	2017	Retail	21 037	321 000 000	5,65 %	19 542 000	1 255 000	12 %
Handelseiendom Lillehammer AS	2017	Retail	9 575	161 700 000	6,00 %	10 381 000	562 000	6 %
Handelseiendom Østlandet AS	2016	Retail	13 022	260 100 000	6,35 %	16 984 000	1 106 000	14 %
Havnekvartalet Holding AS	2018	Office/Retail	11 981	353 700 000	6,00 %	22 385 000	852 000	n/a
Industrieiendom Sørlandet AS	2018	Industrial	19 528	215 700 000	6,60 %	15 267 000	737 000	n/a
KombiEiendom Invest AS	2006	Industrial	48 830	330 000 000	6,00 %	20 126 000	1 416 000	9 %
Kombieiendom Østlandet AS	2015	Combined	25 003	360 800 000	5,50 %	22 040 000	2 186 000	49 %
Kronogården Bolig AS	2016	Residential	9 282	68 500 000	6,25 %	9 222 000	179 000	11 %
Lillestrøm Sentrumsbolig AS	2015	Residential	13 849	763 000 000	n/a	n/a	875 000	n/a
M17 Holding AS	2018	Office/Retail	2 568	110 000 000	5,50 %	6 548 000	323 000	n/a
Mjåvann Eiendomsinvest AS	2014	Industrial	3 625	52 800 000	6,50 %	3 672 000	264 000	28 %
Rjukan Næringspark KS	2011	Industrial	46 106	57 000 000	13,00 %	10 417 000	403 000	29 %
Rygge Eiendomsinvest KS	2012	Logistics	3 383	30 640 000	8,25 %	2 778 000	207 000	32 %
Røyken Næringseiendom KS	2012	Retail	4 253	45 600 000	8,10 %	3 728 000	238 000	5 %
Sarpsborg Sentrumsbolig AS	2016	Residential	3 136	123 190 000	n/a	n/a	220 000	n/a
Ski Skolebygg KS	2006	School	7 700	198 500 000	7,25 %	14 787 000	1 057 000	8 %
Slotsengen Bolig AS	2016	Residential	6 192	282 600 000	n/a	n/a	275 000	n/a
Stavanger Property Invest AS	2007	Office	5 490	92 000 000	9,00 %	8 573 000	231 000	n/a
Sørlandsparken Logistikkinvest AS	2012	Logistics	16 530	153 100 000	8,00 %	12 606 000	431 000	11 %
Torp Kontorinvest AS	2014	Office	3 826	62 900 000	8,50 %	5 406 000	194 000	17 %
Tungasletta Invest AS	2017	Retail	8 320	205 100 000	6,00 %	12 935 000	723 000	22 %
Vestby Lagereiendom AS	2007	Logistics	4 840	30 000 000	n/a	n/a	77 000	3 %
Vestfold Logistikkinvest AS	2018	Logistics	11 946	150 000 000	5,70 %	8 534 000	461 000	n/a
Østfoldbygg Invest AS	2015	Combined	17 480	95 800 000	9,00 %	9 655 000	371 000	21 %
34 Sum			**436 467**	**6 793 270 000**		**374 417 000**	**22 284 088**	**17 %**



Estimated unrealised returns for the portfolio

Our current portfolio consists of approximately 65 properties spread across 34 projects, at an estimated value pr. 31.12.2018 of NOK 6,79 billion. NAV is estimated at NOK 2,23 billion, with unrealised return (IRR) estimated between 13 % and 21 %.

IRR *High*	IRR *Mid*	IRR *Low*
21 %	**17 %**	**13 %**

Fearnley Project Finance

THE PROJECTS

Agder Kontorbygg AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 182	5,75 %	603 000	8,3 yrs	Office	31.12.2018

Project Broker	Business Manager	Secondhand trade
Fredrik Honningsvåg	Regine Hjelmtvedt	Axel Bendvold
(+47) 22 93 64 59	(+47) 22 93 63 37	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	10.12.2012
Currency	NOK
Initial property value	138 000 000
Initial property value per sq.m.	17 488
Net yield at establishment	6,5 %
Initial financing	
Bank loan	109 504 000
Paid in capital	30 850 000
Project price	140 354 000
Equity	
Initial paid in capital	30 850 000
Uncalled committed capital	-
Paid in capital per 1%	308 500
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	35 500
Accumulated dividend in % of paid in capital	12 %
Last traded per 1%	385 000
Last trade date	28.06.2017

PROPERTY INFORMATION

Location	Nygård 1, Lillesand
Segment	Office
Tenant(s)	Nasjonal Kommunikasjonsmyndighet
Key figures	
Building area (sq.m.)	7 891
Plot, freehold (sq.m)	13 500
Year of construction	2007
Parking	Approx. 150
Tax depreciation rate building	2 %
Weighted average unexpired lease term	8,3 years
Weighted CPI adjustment[1]	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	1 199
Average rent per sq.m. 2019	1 396
Business Management	Fearnley Business Management AS
Property Management	Kruse Smith Eiendom AS

Note 1: 100 % up to 2,5 % CPI - 70 % of excess of 2,5 %.

CASH FLOW FORECAST

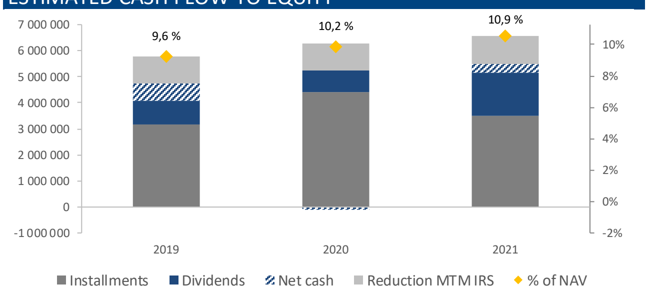
Year	*2019E*	*2020E*	*2021E*
Gross rental income	11 012 000	11 232 000	11 457 000
Owner's costs	-552 000	-563 000	-574 000
Net rental income	10 460 000	10 669 000	10 883 000
Other rental income	-	-	-
Administration expenses	-481 000	-490 000	-500 000
Other operating expenses	-	-	-
EBITDA	9 979 000	10 179 000	10 383 000
Net financial expenses	-5 249 000	-5 073 000	-4 892 000
Estimated tax payable	-	-	-
Installments	-3 167 000	-4 432 000	-3 480 000
Investments	-	-	-
Dividends	-900 000	-800 000	-1 700 000
Net cash flow	663 000	-126 000	311 000
Dividend yield (basis NAV)	1,5 %	1,3 %	2,8 %
Est. cash flow to equity (basis NAV)	9,6 %	10,2 %	10,9 %

BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	789 000	1 452 000	1 326 000	1 637 000
Value of loss carry forward	1 816 000	1 641 000	1 407 000	1 117 000
Property value[1]	173 324 000	173 324 000	173 324 000	173 324 000
Total assets	175 929 000	176 417 000	176 057 000	176 078 000
Short-term liabilities	1 083 000	1 049 000	1 013 000	974 000
Accrued taxes	-	-	-	-
Long-term liabilities	94 536 590	91 370 000	86 938 000	83 458 000
Total Liabilities	95 619 590	92 419 000	87 951 000	84 432 000
NAV ex. MTM IRS[2]	80 309 410	83 998 000	88 106 000	91 646 000

Note 1: adjusted for tax discount
Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**5,50 %**	**5,75 %**	**6,00 %**
Property value		190 200 000	181 900 000	174 300 000
Tax discount	10 %	-9 406 000	-8 576 000	-7 816 000
Value of loss carry forward	10 %	1 816 000	1 816 000	1 816 000
Net debt		-94 830 590	-94 830 590	-94 830 590
NAV ex. MTM IRS		87 779 410	80 309 410	73 469 410
MTM IRS (90 %)		-19 977 000	-19 977 000	-19 977 000
NAV		67 802 410	60 332 410	53 492 410
NAV per 1% ex. MTM IRS		878 000	803 000	735 000
NAV per 1%		678 000	**603 000**	535 000
Property value per sq.m.		24 100	23 100	22 100
LTV (property value)		50 %	52 %	54 %
LTV incl. Tax discount & MTM IRS		63 %	66 %	69 %
IRR since establishment ex./incl. MTM IRS		20% / 15%	18% / 13%	17% / 11%
Total return ex./incl. MTM IRS		196% / 131%	172% / 107%	150% / 85%
Est. cash flow to equity (avg. next 3 years)		9,1 %	10,2 %	11,5 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	88 973 000	5,73 %	16.10.2037
Tranche 2	4 450 000	3,28 %	Floating
Seller's credit	1 113 590	-	
Long-term liabilities	94 536 590	5,61 %	

COMMENT

The property is centrally located in Lillesand - close to E18, Kristiansand, Sørlandsparken and Kjevik airport. The building is constructed using high standard materials and technical solutions. The property is let on a long lease contract to Nasjonal Kommunikasjonsmyndighet (NKOM) as the single tenant. The property is the headquarter of NKOM.

Avenyen Holding AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 429	6,50 %	1 522 000	6,2 yrs	Retail	31.12.2018

Project Broker	Business Manager	Secondhand trade
Haakon Shetelig	Geir Åge Rønneberg	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 64 53	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	10.01.2017
Currency	NOK
Initial property value	395 000 000
Initial property value per sq.m.	16 391
Net yield at establishment	7,0 %
Initial financing	
Bank loan	300 000 000
Paid in capital	101 000 000
Project price	401 000 000
Equity	
Initial paid in capital	101 000 000
Uncalled committed capital	-
Paid in capital per 1%	1 010 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	50 000
Accumulated dividend in % of paid in capital	5 %
Last traded per 1%	-
Last trade date	-

PROPERTY INFORMATION

Location	Avenyen, Kristiansand
Segment	Retail
Tenant(s)	Bohus Sørlandsparken AS, Elkjøp Norge AS, Jula Norge AS, Jysk AS et al.
Key figures	
Building area (sq.m.)	24 098
Plot, freehold (sq.m)	49 213
Year of construction	2009
Parking	Approx. 1500
Tax depreciation rate building	2 %
Weighted average unexpired lease term	6,2 years
Weighted CPI adjustment	100 %
Occupancy rate	93 %
Average rent per sq.m. at establishment	1 176
Average rent per sq.m. 2019	1 198
Business Management	Mosvold & Co AS / Fearnley Business Management AS
Property Management	Mosvold & Co AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	28 542 000	29 113 000	29 695 000
Owner's costs	-649 000	-662 000	-675 000
Net rental income	27 893 000	28 451 000	29 020 000
Other rental income	-100 000	-100 000	-75 000
Market rent free space[1]	-1 693 000	-1 727 000	-1 762 000
Administration expenses	-751 000	-766 000	-781 000
Other operating expenses	-300 000	-	-
EBITDA	25 049 000	25 858 000	26 402 000
Net financial expenses	-10 676 000	-10 219 000	-9 762 000
Estimated tax payable	-	-	-
Installments	-12 000 000	-12 000 000	-12 000 000
Dividends	-5 000 000	-5 000 000	-5 000 000
Net cash flow	-2 627 000	-1 361 000	-360 000
Dividend yield (basis NAV)	3,3 %	3,3 %	3,3 %
Est. cash flow to equity (basis NAV)	9,4 %	10,2 %	10,9 %

Note 1: Assumed NOK 1 000 per sq.m.

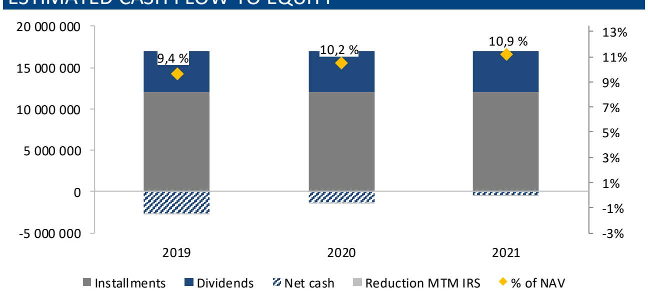
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	19 617 000	16 990 000	15 629 000	15 269 000
Property value[1]	419 965 000	419 965 000	419 965 000	419 965 000
Total assets	439 582 000	436 955 000	435 594 000	435 234 000
Short-term liabilities	2 808 000	2 139 000	2 045 000	1 951 000
Accrued taxes	-	-	-	1 430 000
Long-term liabilities	285 000 000	273 000 000	261 000 000	249 000 000
Total Liabilities	287 808 000	275 139 000	263 045 000	252 381 000
NAV ex. MTM IRS[2]	151 774 000	161 816 000	172 549 000	182 853 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**6,25 %**	**6,50 %**	**6,75 %**
Property value		446 300 000	429 100 000	413 200 000
Tax discount	10 %	-10 855 000	-9 135 000	-7 545 000
NPV other rental income		-	-	-
Net debt		-268 191 000	-268 191 000	-268 191 000
NAV ex. MTM IRS		167 254 000	151 774 000	137 464 000
MTM IRS (77 %)		447 000	447 000	447 000
NAV		167 701 000	152 221 000	137 911 000
NAV per 1% ex. MTM IRS		1 673 000	1 518 000	1 375 000
NAV per 1%		1 677 000	**1 522 000**	1 379 000
Property value per sq.m.		18 500	17 800	17 100
LTV (property value)		64 %	66 %	69 %
LTV incl. Tax discount & MTM IRS		65 %	68 %	70 %
IRR since establishment ex./incl. MTM IRS		31% / 32%	25% / 25%	19% / 19%
Total return ex./incl. MTM IRS		71% / 71%	55% / 56%	41% / 41%
Est. cash flow to equity (avg. next 3 years)		9,2 %	10,1 %	11,2 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	95 000 000	3,80 %	Floating
Tranche 2	95 000 000	4,06 %	17.01.2022
Tranche 3	95 000 000	4,47 %	18.01.2027
Long-term liabilities	285 000 000	4,11 %	

COMMENT

The project consists of 3 properties built in 2009, located in the well established retail and industrial park - Sørlandsparken. The property is let out to Bohus Sørlandsparken AS, Elkjøp Norge AS, Jula Norge AS, Jysk AS, Stoff og Stil Norge AS, Optimera AS, and Gustav Pedersen AS.

Avenyen Holding II AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 174	7,25 %	258 000	5,6 yrs	Retail	31.12.2018

Project Broker	Business Manager	Secondhand trade
Haakon Shetelig	Geir Åge Rønneberg	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 64 53	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	26.05.2017
Currency	NOK
Initial property value	165 000 000
Initial property value per sq.m.	15 709
Net yield at establishment	8,4 %
Initial financing	
Bank loan	105 000 000
Seller's credit	50 000 000
Paid in capital	10 000 000
Project price	165 000 000
Equity	
Initial paid in capital	10 000 000
Uncalled committed capital	50 000 000
Paid in capital per 1%	100 000
Uncalled committed capital per 1%	500 000
Accumulated dividend per 1%	-
Accumulated dividend in % of paid in capital	0 %
Last traded per 1%	-
Last trade date	-

PROPERTY INFORMATION

Location	Sørlandsparken, Kristiansand
Segment	Retail
Tenant(s)	Gresvig AS, Tesla Motors Norway AS, Elektroimportøren AS et al.
Key figures	
Building area (sq.m.)	10 504
Plot, freehold (sq.m)	22 647
Year of construction	2009
Parking	Approx. 1 500
Tax depreciation rate building	2 %
Weighted average unexpired lease term	5,6 years
Weighted CPI adjustment	100 %
Occupancy rate	87 %
Average rent per sq.m. at establishment	1 453
Average rent per sq.m. 2019	1 292
Business Management	Mosvold & Co AS / Fearnley Business Management AS
Property Management	Mosvold & Co AS

CASH FLOW FORECAST

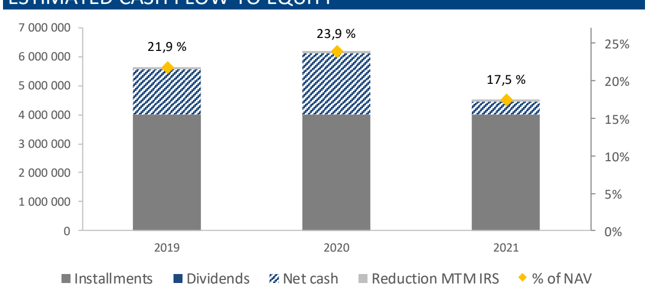
Year	*2019E*	*2020E*	*2021E*
Gross rental income	13 451 000	13 720 000	12 769 000
Owner's costs	-809 000	-825 000	-842 000
Net rental income	12 642 000	12 895 000	11 927 000
Less market rent free space	-429 000	-	-415 000
Administration expenses	-384 000	-391 000	-399 000
Other operating expenses	-	-	-
EBITDA	11 829 000	12 504 000	11 113 000
Net financial expenses	-5 800 000	-5 880 000	-5 965 000
Estimated tax payable	-452 000	-523 000	-711 000
Installments	-4 000 000	-4 000 000	-4 000 000
Investments	-	-	-
Dividends	-	-	-
Net cash flow	1 577 000	2 101 000	437 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	21,9 %	23,9 %	17,5 %

BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	6 814 000	8 391 000	10 492 000	10 929 000
Property value[1]	168 999 000	168 999 000	168 999 000	168 999 000
Total assets	175 813 000	177 390 000	179 491 000	179 928 000
Short-term liabilities	264 000	253 000	174 000	174 000
Accrued taxes	452 000	523 000	711 000	438 000
Long-term liabilities	149 000 000	145 000 000	141 000 000	137 000 000
Total Liabilities	149 716 000	145 776 000	141 885 000	137 612 000
NAV ex. MTM IRS[2]	26 097 000	31 614 000	37 606 000	42 316 000

Note 1: adjusted for tax discount
Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**7,00 %**	**7,25 %**	**7,50 %**
Property value		180 600 000	174 400 000	168 600 000
Tax discount	10 %	-6 021 000	-5 401 000	-4 821 000
NPV other rental income		-	-	-
Net debt		-142 902 000	-142 902 000	-142 902 000
NAV ex. MTM IRS		31 677 000	26 097 000	20 877 000
MTM IRS (90 %)		-282 000	-282 000	-282 000
NAV		31 395 000	25 815 000	20 595 000
NAV per 1% ex. MTM IRS		317 000	261 000	209 000
NAV per 1%		314 000	**258 000**	206 000
Property value per sq.m.		17 200	16 600	16 100
LTV (property value)		83 %	85 %	88 %
LTV incl. Tax discount & MTM IRS		86 %	88 %	91 %
IRR since establishment ex./incl. MTM IRS		106% / 104%	82% / 81%	59% / 57%
Total return ex./incl. MTM IRS		217% / 214%	161% / 158%	109% / 106%
Est. cash flow to equity (avg. next 3 years)		17,3 %	21,1 %	26,4 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	99 000 000	3,55 %	Floating
Tranche 2	50 000 000	4,50 %	29.09.2022
Long-term liabilities	149 000 000	3,87 %	

COMMENT

The property is located in the well established retail and industrial park - Sørlandsparken. The property is let out to Gresvig AS, Leif Skalleberg AS, Tesla Motors Norway AS, Mosvold Drift AS, and Torshov Bilrekvisita AS.

Bogstadveien 48 Invest AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 170	4,10 %	600 000	2,6 yrs	Retail	31.12.2018

Project Broker	Business Manager	Secondhand trade
Haakon Shetelig	Marianne Fossum	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 64 52	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	25.10.2016
Currency	NOK
Initial property value	147 500 000
Initial property value per sq.m.	100 068
Net yield at establishment	4,2 %
Initial financing	
Bank loan	94 900 000
Paid in capital	46 000 000
Project price	140 900 000
Equity	
Initial paid in capital	46 000 000
Issue of new shares	5 000 000
Sum paid in capital	51 000 000
Paid in capital per 1%	510 000
Accumulated dividend per 1%	-
Accumulated dividend in % of paid in capital	0 %
Last traded per 1%	-
Last trade date	-

PROPERTY INFORMATION

Location	Bogstadveien 48, Oslo
Segment	Retail
Tenant(s)	Norli Libris AS, Kicks Norge AS
Key figures	
Building area (sq.m.)	1 474
Plot, freehold (sq.m)	527
Year of construction	1894 / 2010
Tax depreciation rate building (retail)	2 %
Weighted average unexpired lease term - retail	2,6 years
Weighted average unexpired lease term - residential	1,4 years
Weighted CPI adjustment	93 %
Occupancy rate	96 %
Average rent per sq.m. retail at establishment	7 800
Average rent per sq.m. retail 2019	8 200
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	7 472 000	7 611 000	7 752 000
Owner's costs	-519 000	-529 000	-540 000
Net rental income	6 953 000	7 082 000	7 212 000
Market rent vacant apartments	-198 000	-	-
Administration expenses	-324 000	-331 000	-337 000
Other operating expenses	-211 000	-273 000	-278 000
EBITDA	6 220 000	6 478 000	6 597 000
Net financial expenses	-3 132 000	-3 130 000	-3 061 000
Estimated tax payable	-434 000	-621 000	-682 000
Installments	2 514 000	-1 944 000	-1 944 000
Investments	-4 500 000	-	-
Dividends	-	-	-
Net cash flow	668 000	783 000	910 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	-3,1 %	4,6 %	4,8 %

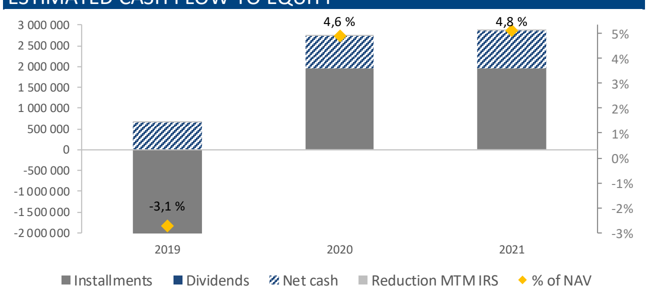
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	432 000	1 100 000	1 883 000	2 793 000
Property value[1]	159 175 000	159 175 000	159 175 000	159 175 000
Total assets	159 607 000	160 275 000	161 058 000	161 968 000
Short-term liabilities	4 990 000	501 000	490 000	479 000
Accrued taxes	434 000	621 000	682 000	727 000
Long-term liabilities	94 193 000	96 707 000	94 763 000	92 819 000
Total Liabilities	99 617 000	97 829 000	95 935 000	94 025 000
NAV ex. MTM IRS[2]	59 990 000	62 446 000	65 123 000	67 943 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**4,00 %**	**4,10 %**	**4,20 %**
Property value		173 800 000	169 600 000	165 500 000
Tax discount	10 %	-10 845 000	-10 425 000	-10 015 000
NPV other rental income		-	-	-
Net debt		-99 185 000	-99 185 000	-99 185 000
NAV ex. MTM IRS		63 770 000	59 990 000	56 300 000
MTM IRS (90 %) pr. 31.12.2018		-25 000	-25 000	-25 000
NAV		63 745 000	59 965 000	56 275 000
NAV per 1% ex. MTM IRS		638 000	600 000	563 000
NAV per 1%		637 000	**600 000**	563 000
Property value per sq.m.		117 900	115 100	112 300
LTV (property value)		54 %	56 %	57 %
LTV incl. Tax discount & MTM IRS		58 %	59 %	61 %
IRR since establishment ex./incl. MTM IRS		11% / 11%	8% / 8%	5% / 5%
Total return ex./incl. MTM IRS		28% / 28%	20% / 20%	12% / 12%
Est. cash flow to equity (avg. next 3 years)		2,0 %	2,1 %	2,2 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	5 493 000	2,79 %	Floating
Tranche 2	44 250 000	3,48 %	02.11.2026
Tranche 3	22 125 000	3,14 %	13.01.2022
Tranche 4	22 325 000	2,93 %	06.04.2020
Long-term liabilities	94 193 000	3,23 %	

COMMENT

The property consists of retail space (610 sq. m.) on the ground floor and 9 apartments (864 sq. m.) on floors 2-4.

Dyrskueveien 5 KS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 159	**5,50 %**	**731 000**	**8,4 yrs**	**Retail**	**31.12.2018**

Project Broker	**Business Manager**	**Secondhand trade**
Fredrik Honningsvåg	Geir Åge Rønneberg	Axel Bendvold
(+47) 22 93 64 59	(+47) 22 93 64 53	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	25.06.2013
Currency	NOK
Initial property value	105 000 000
Initial property value per sq.m.	13 599
Net yield at establishment	7,0 %
Initial financing	
Bank loan	71 000 000
Paid in capital	31 700 750
Project price	102 700 750
Equity	
Initial paid in capital	31 700 750
Uncalled committed capital	-
Paid in capital per 1%	317 008
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	303 008
Accumulated dividend in % of paid in capital	96 %
Last traded per 1%	770 000
Last trade date	07.04.2017

PROPERTY INFORMATION

Location	Dyrskuevegen 5, Kløfta
Segment	Retail
Tenant(s)	DNB Bank ASA, Megaflis AS
Key figures	
Building area (sq.m.)	7 721
Plot, freehold (sq.m)	21 710
Year of construction	2007
Parking	Approx. 250
Tax depreciation rate building	2 %
Weighted average unexpired lease term	8,4 years
Weighted CPI adjustment	86 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	986
Average rent per sq.m. 2019	1 167
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	9 013 000	9 168 000	9 326 000
Owner's costs	-284 000	-289 000	-295 000
Net rental income	8 729 000	8 879 000	9 031 000
Extraordinary owner's cost	-400 000	-	-
Administration expenses	-424 000	-432 000	-441 000
Other operating expenses	-	-	-
EBITDA	7 905 000	8 447 000	8 590 000
Net financial expenses	-2 250 000	-2 153 000	-2 055 000
Estimated tax payable	-38 000	-91 000	-108 000
Installments	-3 400 000	-3 400 000	-3 400 000
Investments	-	-	-
Dividends	-2 000 000	-2 500 000	-3 000 000
Net cash flow	217 000	303 000	27 000
Dividend yield (basis NAV)	2,7 %	3,4 %	4,1 %
Est. cash flow to equity (basis NAV)	7,6 %	8,4 %	8,7 %

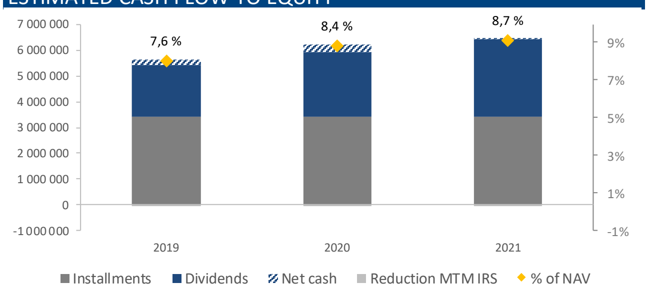
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	1 465 000	1 682 000	1 985 000	2 012 000
Property value[1]	150 306 000	150 306 000	150 306 000	150 306 000
Total assets	151 771 000	151 988 000	152 291 000	152 318 000
Short-term liabilities	590 000	182 000	174 000	166 000
Accrued taxes	38 000	91 000	108 000	115 000
Long-term liabilities	78 200 000	74 800 000	71 400 000	68 000 000
Total Liabilities	78 828 000	75 073 000	71 682 000	68 281 000
NAV ex. MTM IRS[2]	72 943 000	76 915 000	80 609 000	84 037 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**5,25 %**	**5,50 %**	**5,75 %**
Property value		166 300 000	158 700 000	151 800 000
Tax discount	10 %	-9 154 000	-8 394 000	-7 704 000
NPV other rental income		-	-	-
Net debt		-77 363 000	-77 363 000	-77 363 000
NAV ex. MTM IRS		79 783 000	72 943 000	66 733 000
MTM IRS (77 %)		162 000	162 000	162 000
NAV		79 945 000	73 105 000	66 895 000
NAV per 1% ex. MTM IRS		798 000	729 000	667 000
NAV per 1%		799 000	**731 000**	669 000
Property value per sq.m.		21 500	20 600	19 700
LTV (property value)		47 %	49 %	52 %
LTV incl. Tax discount & MTM IRS		50 %	52 %	54 %
IRR since establishment ex./incl. MTM IRS		30% / 30%	28% / 28%	27% / 27%
Total return ex./incl. MTM IRS		247% / 248%	226% / 226%	206% / 207%
Est. cash flow to equity (avg. next 3 years)		7,5 %	8,3 %	9,0 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	35 700 000	2,75 %	Floating
Tranche 2	42 500 000	3,05 %	15.06.2022
Long-term liabilities	78 200 000	2,91 %	

COMMENT

The Property is located at Kløfta, along the attractive logistics axis, Oslo - Gardermoen, with good exposure to the main highway E6. The Property was built in 2007 and is let out to DNB Bank AS (Autolease) and Megaflis AS.

Eiendomsselskapet Vest-Sverige AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MSEK 329	5,75 %	1 766 000	1 year	Mixed	31.12.2018

Project Broker	Business Manager	Secondhand trade
Fredrik Honningsvåg	Håvard Urberg	Axel Bendvold
(+47) 22 93 64 59	(+47) 22 93 64 44	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	18.06.2007
Currency	SEK
Initial property value	435 500 000
Initial property value per sq.m.	8 710
Net yield at establishment	6,2 %
Initial financing	
Bank loan	356 479 000
Paid in capital	81 863 000
Project price	438 342 000
Equity	
Initial paid in capital	81 863 000
Issue of new shares in August 2014	5 677 000
Sum paid in capital	87 540 000
Paid in capital per 1%	875 400
Paid in capital per 1% (NOK)	752 950
Accumulated dividend per 1%	128 163
Accumulated dividend in % of paid in capital	15 %
Last traded per 1% (NOK)	1 000 000
Last trade date	30.03.2017

PROPERTY INFORMATION

Location	West-Sweden
Segment	Mixed
Tenant(s)	Private/Commercial/School
Key figures	
Building area (sq.m.)	39 000
Number of apartments	Approx. 350
Year of construction	1929/1948/1958/1969/1973/1991/2004
Parking	Approx. 350
Tax depreciation rate building	2-4 %
Weighted average unexpired lease term	1 year
Weighted CPI adjustment	Approx. 100 %
Occupancy rate	Approx. 95 %
Average rent per sq.m. at establishment	649
Average rent per sq.m. 2019	879
Business Management	Fearnley Business Management AS
Property Management	APF AB, Trollhättan

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	34 282 000	35 396 000	36 290 000
Owner's costs	-15 363 000	-14 993 000	-15 218 000
Net rental income	18 919 000	20 403 000	21 072 000
Other rental income	-	-	-
Administration expenses	-3 066 000	-3 112 000	-3 158 000
EBITDA	15 853 000	17 291 000	17 914 000
Net financial expenses	-2 863 000	-2 976 000	-2 928 000
Estimated tax payable	-350 000	-2 509 000	-2 785 000
Installments	10 981 000	-987 000	-6 059 000
Sale of apartments	1 200 000	1 200 000	1 200 000
Investments	-34 430 000	-5 000 000	-100 000
Dividends	-	-	-
Net cash flow	-9 609 000	7 019 000	7 242 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	-11,7 %	4,5 %	7,5 %

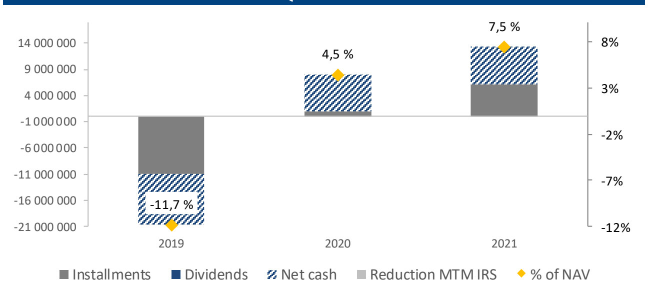
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	11 500 000	1 891 000	8 910 000	16 152 000
Property value[1]	318 467 000	352 897 000	357 897 000	357 997 000
Total assets	329 967 000	354 788 000	366 807 000	374 149 000
Short-term liabilities	461 000	499 000	483 000	479 000
Accrued taxes	350 000	2 509 000	2 785 000	2 940 000
Long-term liabilities	152 606 000	163 587 000	162 600 000	156 541 000
Total Liabilities	153 417 000	166 595 000	165 868 000	159 960 000
NAV ex. MTM IRS[2]	176 550 000	188 193 000	200 939 000	214 189 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**5,50 %**	**5,75 %**	**6,00 %**
Property value		344 000 000	329 000 000	315 300 000
Tax discount	10 %	-12 033 000	-10 533 000	-9 163 000
NPV other rental income		-	-	-
Net debt		-141 917 000	-141 917 000	-141 917 000
NAV ex. MTM IRS		190 050 000	176 550 000	164 220 000
MTM IRS (0 %)		-	-	-
NAV		190 050 000	176 550 000	164 220 000
NAV per 1% ex. MTM IRS		1 901 000	1 766 000	1 642 000
NAV per 1%		1 901 000	**1 766 000**	1 642 000
Property value per sq.m.		8 800	8 400	8 100
LTV (property value)		44 %	46 %	48 %
LTV incl. Tax discount & MTM IRS		46 %	48 %	50 %
IRR since establishment ex./incl. MTM IRS		8% / 8%	7% / 7%	7% / 7%
Total return ex./incl. MTM IRS		141% / 141%	124% / 124%	109% / 109%
Est. cash flow to equity (avg. next 3 years)		0,1 %	0,1 %	0,1 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	120 971 000	1,77 %	Fixed
Tranche 2	27 804 000	1,87 %	Fixed
Tranche 3	3 831 000	1,58 %	Floating
Long-term liabilities	152 606 000	1,78 %	

COMMENT

The portfolio consists of residential properties, some offices and a school located in the Gothenburg area and West Sweden, mainly in Trollhättan and Skövde. Total lettable area is approximately 39 000 sq. m. Sale of single properties/residential units located outside the portfolio's core area will commence during 2018 in order to focus the portfolio.

Glassverket Bolig AS

Expected completion	*Paid in capital per 1 %*	*Segment*	*Date of analysis*
Q4 2020	**282 000**	**Residential**	**31.12.2017**

Project Broker	**Business Manager**	**Secondhand trade**
Haakon Shetelig	Regine Hjelmtvedt	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 63 37	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	06.07.2017
Currency	NOK
Initial property value	33 500 000
Initial property value per sq.m.[1]	11 964
Initial financing	
Bank loan	-
Paid in & committed capital	28 200 000
Total invested capital	28 200 000
Equity	
Initial paid in capital	8 008 800
Uncalled committed capital	20 191 200
Equity	28 200 000
Initial paid in capital per 1%	80 088
Last traded per 1%	-
Last trade date	-

Note 1: Per projected residential building area (sq.m.)

PROPERTY INFORMATION

Location	Moss
Segment	Residential development
Key figures	
Projected residential building area (sq.m.)	Approx. 2 800
Projected number of apartments	Approx. 42
Projected commercial building area (sq.m.)	Approx. 2 000
Plot, freehold (sq.m)	5 200
Projected building period	2018- 2020
Projected parking	Approx. 60
Initial projections	
Sales price per sq.m.	54 000
Sales revenue	162 140 000
Project cost	140 780 000
Profit margin	21 360 000
Total return (before/after tax)	70% / 52%
Current timeline	
Building stages	1
Sales start of first building stage	Q2 2019
Projected building start of first building stage	Q3 2019
Expected completion	Q4 2020
Business Management	Fearnley Business Management AS
Project Manager	EVR Norge AS
Web site	n/a

PROJECT STATUS

Year	*31.12.2017*	*31.12.2018*	*30.06.2019*	*31.12.2019*
Sold apartments	-	-		
Delivered apartments	-	-		
Unsold completed apartments	-	-		
Total completed apartments	-	-		
Accumulated sales revenue	-	-		
Accumulated project cost	1 978 000	7 528 000		

COMMENT

The project was established in the third quarter of 2017. The business plan is to build approximately 40 apartments in Moss city centre.

Grensen 15 Holding AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 277	3,90 %	870 000	3,7 yrs	Office	31.12.2018

Project Broker	Business Manager	Secondhand trade
Cato Hauge	Theo Thorkildsen	Axel Bendvold
(+47) 22 93 63 48	(+47) 22 93 63 43	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	28.06.2018
Currency	NOK
Initial property value	272 000 000
Initial property value per sq.m.	83 206
Net yield at establishment	3,9 %
Initial financing	
Bank loan	177 000 000
Paid in capital	85 000 000
Project price	262 000 000
Equity	
Initial paid in capital	85 000 000
Uncalled committed capital	-
Paid in capital per 1%	850 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	-
Accumulated dividend in % of paid in capital	0 %
Last traded per 1%	-
Last trade date	-

PROPERTY INFORMATION

Location	Grensen 15, Oslo
Segment	Office
Tenant(s)	Gina Tricot Retail AB
Key figures	
Building area (sq.m.)	3 269
Plot, freehold (sq.m)	494
Year of construction	1932-38
Parking	-
Tax depreciation rate building	2 %
Weighted average unexpired lease term	3,7 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	3 379
Average rent per sq.m. 2019	3 477
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	2019E	2020E	2021E
Gross rental income	11 366 000	11 593 000	11 699 000
Owner's costs	-547 000	-558 000	-569 000
Net rental income	10 819 000	11 035 000	11 130 000
Other rental income	258 000	233 000	207 000
Administration expenses	-1 088 000	-1 110 000	-1 132 000
Other operating expenses	-	-	-
EBITDA	9 989 000	10 158 000	10 205 000
Net financial expenses	-7 333 000	-7 333 000	-7 333 000
Estimated tax payable	-	-	-
Installments	-	-	-
Investments	-	-	-1 925 000
Dividends	-	-	-
Net cash flow	2 656 000	2 825 000	947 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	3,1 %	3,2 %	1,1 %

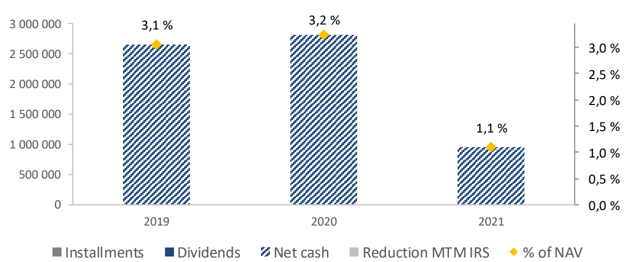
BALANCE SHEET FORECAST

Year	2018A	2019E	2020E	2021E
Current assets	1 814 000	4 470 000	7 295 000	8 242 000
Property value[1]	261 374 000	261 374 000	261 374 000	261 374 000
Total assets	263 188 000	265 844 000	268 669 000	269 616 000
Short-term liabilities	321 000	321 000	321 000	321 000
Accrued Taxes	-	-	-	-
Long-term liabilities	177 000 000	177 000 000	177 000 000	177 000 000
Total Liabilities	177 321 000	177 321 000	177 321 000	177 321 000
NAV ex. MTM IRS[2]	85 867 000	88 523 000	91 348 000	92 295 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		3,80 %	3,90 %	4,00 %
Property value		284 700 000	277 400 000	270 500 000
Tax discount	10 %	-16 756 000	-16 026 000	-15 336 000
NPV other rental income		1 085 000	1 085 000	1 085 000
Net debt		-175 507 000	-175 507 000	-175 507 000
NAV ex. MTM IRS		93 522 000	86 952 000	80 742 000
MTM IRS (0 %)		-	-	-
NAV		93 522 000	86 952 000	80 742 000
NAV per 1% ex. MTM IRS		935 000	870 000	807 000
NAV per 1%		935 000	**870 000**	807 000
Property value per sq.m.		87 100	84 900	82 700
LTV		66 %	68 %	69 %
LTV incl. MTM IRS		66 %	68 %	69 %
IRR since establishment ex./incl. MTM IRS		n/a	n/a	n/a
Total return ex./incl. MTM IRS		n/a	n/a	n/a
Est. cash flow to equity (avg. next 3 years)		2,3 %	2,5 %	2,7 %

DEBT STRUCTURE AT 31.12.2018

	Balance	Interest rate	IRS maturity
Tranche 1	100 000 000	3,95 %	10.07.2023
Tranche 2	40 000 000	3,34 %	Floating
Tranche 3	37 000 000	5,26 %	Floating
Long-term liabilities	177 000 000	4,09 %	

COMMENT

Office and retail property located in Oslo city centre.

Hamar Eiendomsinvest KS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 157	5,80 %	453 000	15,4 yrs	Logistics	31.12.2018

Project Broker	Business Manager	Secondhand trade
Cato Hauge	Geir Åge Rønneberg	Axel Bendvold
(+47) 22 93 63 48	(+47) 22 93 64 53	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	30.06.2010
Currency	NOK
Initial property value	108 000 000
Initial property value per sq.m.	8 780
Net yield at establishment	7,6 %
Initial financing	
Bank loan	88 560 000
Seller's credit	2 700 000
Paid in capital	22 200 000
Project price	113 460 000
Equity	
Initial paid in capital	22 200 000
Uncalled committed capital	10 000 000
Paid in capital per 1%	222 000
Uncalled committed capital per 1%	100 000
Accumulated dividend per 1%	62 000
Accumulated dividend in % of paid in capital	28 %
Last traded per 1%	260 000
Last trade date	12.01.2018

PROPERTY INFORMATION

Location	Smiuhagan 10, Hamar
Segment	Logistics
Tenant(s)	Posten Norge AS
Key figures	
Building area (sq.m.)	12 300
Plot, freehold (sq.m)	49 455
Year of construction	2001
Parking	Approx. 120
Tax depreciation rate building	4 %
Weighted average unexpired lease term	15,4 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	711
Average rent per sq.m. 2019	760
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	9 350 000	9 537 000	9 728 000
Owner's costs	-250 000	-255 000	-260 000
Net rental income	9 100 000	9 282 000	9 468 000
Less market rent free space	-	-	-
Administration expenses	-320 000	-326 000	-333 000
Other operating expenses	-	-	-
EBITDA	8 780 000	8 956 000	9 135 000
Net financial expenses	-3 133 000	-3 804 000	-3 275 000
Estimated tax payable	-	-	-30 000
Installments	-2 550 000	-3 400 000	-3 400 000
Investments	-	-	-
Dividends	-	-	-
Net cash flow	3 097 000	1 752 000	2 430 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	14,0 %	11,4 %	12,9 %

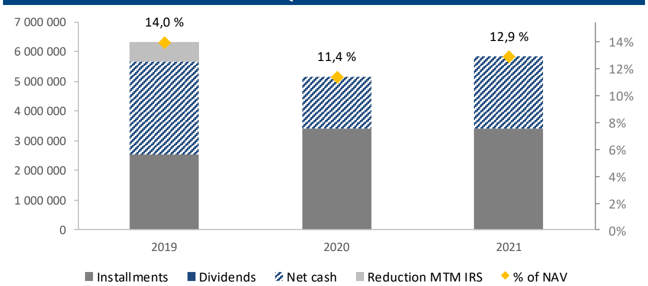
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	385 000	3 482 000	5 234 000	7 664 000
Property value[1]	151 090 000	151 090 000	151 090 000	151 090 000
Total assets	151 475 000	154 572 000	156 324 000	158 754 000
Short-term liabilities	15 325 000	912 000	888 000	674 000
Accrued taxes	-	-	30 000	84 000
Long-term liabilities	90 176 000	87 626 000	84 226 000	80 826 000
Total Liabilities	105 501 000	88 538 000	85 144 000	81 584 000
NAV ex. MTM IRS[2]	45 974 000	66 034 000	71 180 000	77 170 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		5,70 %	5,80 %	5,90 %
Property value		159 800 000	157 000 000	154 300 000
Tax discount	10 %	-6 190 000	-5 910 000	-5 640 000
NPV other rental income		-	-	-
Net debt		-105 116 000	-105 116 000	-105 116 000
NAV ex. MTM IRS		48 494 000	45 974 000	43 544 000
MTM IRS (90 %)		-674 000	-674 000	-674 000
NAV		47 820 000	45 300 000	42 870 000
NAV per 1% ex. MTM IRS		485 000	460 000	435 000
NAV per 1%		478 000	**453 000**	429 000
Property value per sq.m.		13 000	12 800	12 500
LTV (property value)		56 %	57 %	58 %
LTV incl. Tax discount & MTM IRS		59 %	60 %	61 %
IRR since establishment ex./incl. MTM IRS		13% / 13%	12% / 12%	12% / 11%
Total return ex./incl. MTM IRS		146% / 143%	135% / 132%	124% / 121%
Est. cash flow to equity (avg. next 3 years)		12,1 %	12,7 %	13,5 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	66 442 000	4,10 %	Floating
Tranche 2	23 734 000	4,10 %	Floating
Long-term liabilities	90 176 000	4,10 %	

COMMENT

The property is located in Trehørningen industrial park approximately 1 km from E6 and 7 km north of Hamar. The property was built in 2001 and is let out to Posten Norge AS on barehouse lease terms. The large freehold plot (approximately 50 000 sq.m.) provides opportunities for expansion of up to approximately 5 000 sq.m.

New 15 year lease with Posten Norge AS. The property is currently undergoing refurbishment to meet the tenant's requirements.

Handelseiendom Gjøvik AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 230	6,00 %	758 000	6,6 yrs	Retail	31.12.2018

Project Broker	Business Manager	Secondhand trade
Lars Torgerson Øygard	Regine Hjelmtvedt	Axel Bendvold
(+47) 22 93 63 35	(+47) 22 93 63 37	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	28.05.2018
Currency	NOK
Initial property value	224 240 000
Initial property value per sq.m.	22 411
Net yield at establishment	6,0 %
Initial financing	
Bank loan	151 000 000
Deferred facilitation fee	-
Paid in capital	72 000 000
Project price	223 000 000
Equity	
Initial paid in capital	72 000 000
Uncalled committed capital	-
Paid in capital per 1%	720 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	-
Accumulated dividend in % of paid in capital	0 %
Last traded per 1%	720 000
Last trade date	01.11.2018

PROPERTY INFORMATION

Location	Kasper Andresens veg, Gjøvik
Segment	Retail
Tenant(s)	XXL , Elkjøp, Rusta
Key figures	
Building area (sq.m.)	10 006
Plot, freehold (sq.m)	17 912
Year of construction	1999/2008/2014
Parking	Approx.
Tax depreciation rate building	2-4 %
Weighted average unexpired lease term	6,6 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	1 391
Average rent per sq.m. 2019	1 433
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	14 343 000	14 630 000	14 923 000
Owner's costs	-524 000	-534 000	-545 000
Net rental income	13 819 000	14 096 000	14 378 000
Other rental income	-	-	-
Administration expenses	-508 000	-518 000	-529 000
Other operating expenses	-	-	-
EBITDA	13 311 000	13 578 000	13 849 000
Net financial expenses	-5 471 000	-5 305 000	-5 137 000
Estimated tax payable	-	-552 000	-932 000
Installments	-4 530 000	-4 530 000	-4 530 000
Investments	-	-	-
Dividends	-6 250 000	-3 100 000	-3 200 000
Net cash flow	-2 940 000	91 000	50 000
Dividend yield (basis NAV)	8,2 %	4,1 %	4,2 %
Est. cash flow to equity (basis NAV)	10,4 %	10,3 %	10,4 %

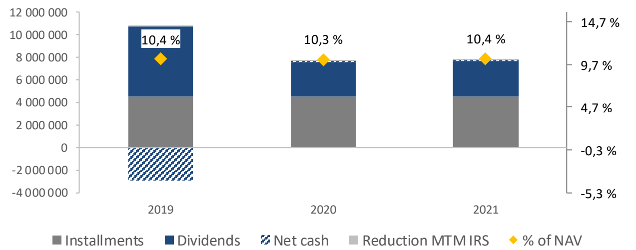
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	4 517 000	1 577 000	1 668 000	1 718 000
Property value[1]	222 804 000	222 804 000	222 804 000	222 804 000
Total assets	227 321 000	224 381 000	224 472 000	224 522 000
Short-term liabilities	1 274 000	1 235 000	1 197 000	1 158 000
Accrued Taxes	-	552 000	932 000	1 088 000
Long-term liabilities	149 868 000	145 338 000	140 808 000	136 278 000
Total Liabilities	151 142 000	147 125 000	142 937 000	138 524 000
NAV ex. MTM IRS[2]	76 179 000	77 256 000	81 535 000	85 998 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**5,90 %**	**6,00 %**	**6,10 %**
Property value		234 200 000	230 300 000	226 500 000
Tax discount	9 %	-7 847 000	-7 496 000	-7 154 000
NPV other rental income		-	-	-
Net debt		-146 625 000	-146 625 000	-146 625 000
NAV ex. MTM IRS		79 728 000	76 179 000	72 721 000
MTM IRS (90 %)		-370 000	-370 000	-370 000
NAV		79 358 000	75 809 000	72 351 000
NAV per 1% ex. MTM IRS		797 000	762 000	727 000
NAV per 1%		794 000	**758 000**	724 000
Property value per sq.m.		23 400	23 000	22 600
LTV (property value)		66 %	67 %	68 %
LTV incl. Tax discount & MTM IRS		66 %	67 %	68 %
IRR since establishment ex./incl. MTM IRS		n/a	n/a	n/a
Total return ex./incl. MTM IRS		n/a	n/a	n/a
Est. cash flow to equity (avg. next 3 years)		9,9 %	10,4 %	10,9 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	74 934 000	3,39 %	Floating
Tranche 2	74 934 000	3,89 %	06.07.2023
Long-term liabilities	149 868 000	3,64 %	4,5 yrs

COMMENT

Modern retail property centrally located in an established retail-area with good exposure towards one of the most trafficked roads in Oppland county.

Handelseiendom Invest AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 332	5,65 %	1 255 000	14,3 yrs	Retail	31.12.2018

Project Broker	Business Manager	Secondhand trade
Lars Torgerson Øygard	Marianne Fossum	Axel Bendvold
(+47) 22 93 63 35	(+47) 22 93 64 52	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	27.12.2017
Currency	NOK
Initial property value	321 000 000
Initial property value per sq.m.	15 259
Net yield at establishment	5,6 %
Initial financing	
Bank loan	192 900 000
Paid in capital	117 800 000
Project price	310 700 000
Equity	
Initial paid in capital	117 800 000
Uncalled committed capital	-
Paid in capital per 1%	1 178 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	61 000
Accumulated dividend in % of paid in capital	5 %
Last traded per 1%	-
Last trade date	-

PROPERTY INFORMATION

Location, Kristiansand	Buråsen 2, Kristiansand
Location, Jessheim	Industrivegen 24, Jessheim
Location, Notodden	Merdevegen 14A, Notodden
Segment	Retail
Tenant(s)	Carlsen Fritzøe Handel AS

Key figures	**Kristiansand**	**Jessheim**	**Notodden**	**Total**
Building area (sq.m.)	14 384	3 428	3 225	21 037
Plot, freehold (sq.m)	26 300	7 999	10 400	44 699
Year of construction	2008	2014	1970/2011	

Tax depreciation rate building	2 %
Weighted average unexpired lease term	14,3 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	899
Average rent per sq.m. 2019	929
Business Management	Hjertnes Eiendomsdrift AS / Fearnley Business Management AS
Property Management	Hjertnes Eiendomsdrift AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	19 542 000	19 933 000	20 332 000
Owner's costs	-779 000	-794 000	-810 000
Net rental income	18 763 000	19 139 000	19 522 000
Other rental income	-	-	-
Administration expenses	-547 000	-558 000	-569 000
Other operating expenses	-	-	-
EBITDA	18 216 000	18 581 000	18 953 000
Net financial expenses	-6 243 000	-6 155 000	-6 060 000
Estimated tax payable	-1 059 000	-1 672 000	-1 839 000
Installments	-5 845 000	-5 845 000	-5 845 000
Investments	-	-	-
Dividends	-5 900 000	-4 700 000	-4 800 000
Net cash flow	-831 000	209 000	409 000
Dividend yield (basis NAV)	4,7 %	3,7 %	3,8 %
Est. cash flow to equity (basis NAV)	8,8 %	8,7 %	8,9 %

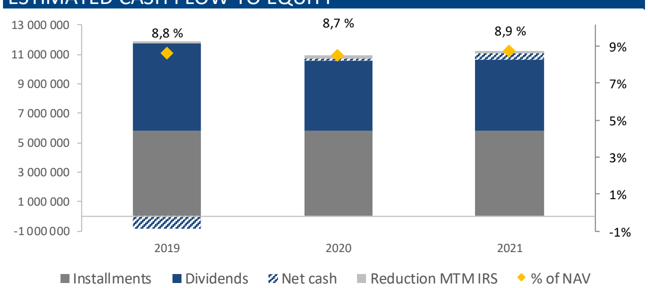
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	2 305 000	1 474 000	1 683 000	2 092 000
Property value[1]	315 669 000	315 669 000	315 669 000	315 669 000
Total assets	317 974 000	317 143 000	317 352 000	317 761 000
Short-term liabilities	1 412 000	1 385 000	1 358 000	1 337 000
Accrued Taxes	1 059 000	1 672 000	1 839 000	1 995 000
Long-term liabilities	188 516 000	182 671 000	176 826 000	170 981 000
Total Liabilities	190 987 000	185 728 000	180 023 000	174 313 000
NAV ex. MTM IRS[2]	126 987 000	131 415 000	137 329 000	143 448 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**5,50 %**	**5,65 %**	**5,80 %**
Property value		341 100 000	332 100 000	323 500 000
Tax discount	10 %	-17 305 000	-16 431 000	-15 596 000
NPV other rental income		-	-	-
Net debt		-188 682 000	-188 682 000	-188 682 000
NAV ex. MTM IRS		135 113 000	126 987 000	119 222 000
MTM IRS (90 %)		-1 479 000	-1 479 000	-1 479 000
NAV		133 634 000	125 508 000	117 743 000
NAV per 1% ex. MTM IRS		1 351 000	1 270 000	1 192 000
NAV per 1%		1 336 000	**1 255 000**	1 177 000
Property value per sq.m.		16 200	15 800	15 400
LTV (property value)		55 %	57 %	58 %
LTV incl. Tax discount & MTM IRS		59 %	60 %	62 %
IRR since establishment ex./incl. MTM IRS		20% / 19%	13% / 12%	6% / 5%
Total return ex./incl. MTM IRS		20% / 19%	13% / 12%	6% / 5%
Est. cash flow to equity (avg. next 3 years)		8,3 %	8,8 %	9,4 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	54 016 000	2,80 %	Floating
Tranche 2	134 500 000	3,60 %	19.01.2028
Long-term liabilities	188 516 000	3,37 %	

COMMENT

The project consist of three properties, in Sørlandsparken, Jessheim and Notodden.

Handelseiendom Lillehammer AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 162	6,00 %	562 000	8,1 yrs	Retail	31.12.2018

Project Broker	Business Manager	Secondhand trade
Lars Torgerson Øygard	Marianne Fossum	Axel Bendvold
(+47) 22 93 63 35	(+47) 22 93 64 52	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	27.12.2017
Currency	NOK
Initial property value	158 000 000
Initial property value per sq.m.	16 500
Net yield at establishment	6,0 %
Initial financing	
Bank loan	103 000 000
Paid in capital	55 500 000
Project price	158 500 000
Equity	
Initial paid in capital	55 500 000
Uncalled committed capital	-
Paid in capital per 1%	555 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	27 000
Accumulated dividend in % of paid in capital	5 %
Last traded per 1%	-
Last trade date	-

PROPERTY INFORMATION

Location	Snekkerveien 7-13, Lillehammer
Segment	Retail
Tenant(s)	Jula Norge AS, Europris Butikkdrift AS, Bohus Lillehammer AS, Jysk AS
Key figures	
Building area (sq.m.)	9 575
Plot, freehold (sq.m)	12 057
Year of construction	2014 / 2016
Parking	Approx. 106
Tax depreciation rate building	2 %
Weighted average unexpired lease term	8,1 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	1 060
Average rent per sq.m. 2019	1 080
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	10 381 000	10 588 000	10 800 000
Owner's costs	-680 000	-694 000	-707 000
Net rental income	9 701 000	9 894 000	10 093 000
Other rental income	-	-	-
Administration expenses	-426 000	-434 000	-442 000
Other operating expenses	-238 000	-	-
EBITDA	9 037 000	9 460 000	9 651 000
Net financial expenses	-3 954 000	-3 864 000	-3 774 000
Estimated tax payable	-	-	-
Installments	-2 575 000	-2 575 000	-2 575 000
Investments	-	-	-
Dividends	-2 700 000	-3 000 000	-3 300 000
Net cash flow	-192 000	21 000	2 000
Dividend yield (basis NAV)	4,8 %	5,3 %	5,9 %
Est. cash flow to equity (basis NAV)	9,2 %	10,1 %	10,6 %

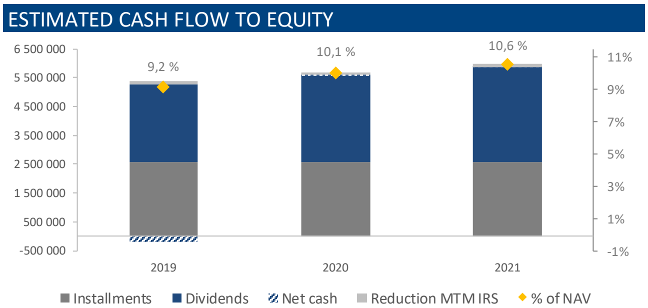
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	1 152 000	960 000	981 000	983 000
Value of loss carry forward	460 000	385 000	225 000	7 000
Property value[1]	157 730 000	157 730 000	157 730 000	157 730 000
Total assets	159 342 000	159 075 000	158 936 000	158 720 000
Short-term liabilities	1 112 000	854 000	835 000	815 000
Accrued Taxes	-	-	-	-
Long-term liabilities	101 069 000	98 494 000	95 919 000	93 344 000
Total Liabilities	102 181 000	99 348 000	96 754 000	94 159 000
NAV ex. MTM IRS[2]	57 161 000	59 727 000	62 182 000	64 561 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**5,90 %**	**6,00 %**	**6,10 %**
Property value		164 400 000	161 700 000	159 000 000
Tax discount	9 %	-4 220 000	-3 970 000	-3 730 000
Value of loss carry forward	10 %	460 000	460 000	460 000
Net debt		-101 029 000	-101 029 000	-101 029 000
NAV ex. MTM IRS		59 611 000	57 161 000	54 701 000
MTM IRS (90 %)		-958 000	-958 000	-958 000
NAV		58 653 000	56 203 000	53 743 000
NAV per 1% ex. MTM IRS		596 000	572 000	547 000
NAV per 1%		587 000	**562 000**	537 000
Property value per sq.m.		17 200	16 900	16 600
LTV (property value)		61 %	63 %	64 %
LTV incl. Tax discount & MTM IRS		64 %	65 %	66 %
IRR since establishment ex./incl. MTM IRS		12% / 11%	8% / 6%	3% / 2%
Total return ex./incl. MTM IRS		12% / 11%	8% / 6%	3% / 2%
Est. cash flow to equity (avg. next 3 years)		9,6 %	10,0 %	10,5 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	49 569 000	3,43 %	Floating
Tranche 2	51 500 000	4,34 %	31.01.2028
Long-term liabilities	101 069 000	3,89 %	

COMMENT

Modern retail property centrally located un a growing retail area north of Lillehammer city centre.

Handelseiendom Østlandet AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 260	6,35 %	1 106 000	5,9 yrs	Retail	31.12.2018

Project Broker	Business Manager	Secondhand trade
Fredrik Honningsvåg	Theo Thorkildsen	Axel Bendvold
(+47) 22 93 64 59	(+47) 22 93 63 43	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	11.02.2016
Currency	NOK
Initial property value	243 500 000
Initial property value per sq.m.	18 699
Net yield at establishment	6,35 %
Initial financing	
Bank loan	145 100 000
Paid in capital	92 600 000
Project price	237 700 000
Equity	
Initial paid in capital	92 600 000
Uncalled committed capital	-
Paid in capital per 1%	926 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	190 000
Accumulated dividend in % of paid in capital	21 %
Last traded per 1%	1 025 000
Last trade date	30.01.2019

PROPERTY INFORMATION

Location Porsgrunn	Bjørkedalsveien 4
Location Moss	Rabekkgata 20
Segment	Retail
Tenant(s) Porsgrunn	Jysk AS, Optimera AS
Tenant(s) Moss	Jysk AS, Elkjøp Norge AS, XXL Sport og Villmark AS et. al

Key figures	Porsgrunn	Moss	Total
Building area (sq.m.)	4 800	7 339	13 022
Plot, freehold (sq.m)	12 324	15 866	28 190
Year of construction			2010
Parking	76	175	251
Tax depreciation rate building			2 %
Weighted average unexpired lease term			5,9 years
Weighted CPI adjustment[1]	100 %	100 %[1]	100 %
Occupancy rate			100 %
Average rent per sq.m. at establishment			1 220
Average rent per sq.m. 2019			1 304

Business Management	Hjertnes Eiendomsdrift AS / Fearnley Business Management AS
Property Management	Hjertnes Eiendomsdrift AS

Note 1: Jysk AS minimum 1 % and maximum 3 % CPI adjustment

CASH FLOW FORECAST

Year	2019E	2020E	2021E
Gross rental income	16 984 000	17 323 000	17 670 000
Owner's costs	-469 000	-478 000	-488 000
Net rental income	16 515 000	16 845 000	17 182 000
Other rental income	-	-	-
Administration expenses	-576 000	-588 000	-600 000
Other operating expenses	-	-	-
EBITDA	15 939 000	16 257 000	16 582 000
Net financial expenses	-3 985 000	-3 898 000	-3 852 000
Estimated tax payable	-2 222 000	-2 208 000	-2 329 000
Installments	-5 093 000	-5 093 000	-5 093 000
Investments	-	-	-
Dividends	-5 000 000	-5 000 000	-5 500 000
Net cash flow	-361 000	58 000	-192 000
Dividend yield (basis NAV)	4,5 %	4,5 %	5,0 %
Est. cash flow to equity (basis NAV)	8,6 %	9,0 %	9,2 %

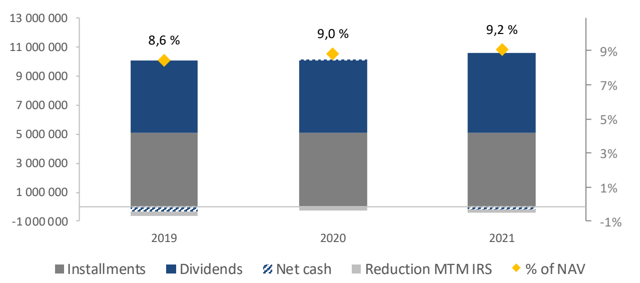
BALANCE SHEET FORECAST

Year	2018A	2019E	2020E	2021E
Current assets	2 475 000	2 114 000	2 172 000	1 980 000
Property value[1]	248 126 000	248 126 000	248 126 000	248 126 000
Total assets	250 601 000	250 240 000	250 298 000	250 106 000
Short-term liabilities	269 000	263 000	260 000	255 000
Accrued taxes	2 222 000	2 208 000	2 329 000	2 439 000
Long-term liabilities	139 344 000	134 251 000	129 158 000	124 065 000
Total Liabilities	141 835 000	136 722 000	131 747 000	126 759 000
NAV ex. MTM IRS[2]	108 766 000	113 518 000	118 551 000	123 347 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		6,20 %	6,35 %	6,50 %
Property value		266 400 000	260 100 000	254 100 000
Tax discount	9 %	-12 541 000	-11 974 000	-11 434 000
NPV other rental income		-	-	-
Net debt		-139 360 000	-139 360 000	-139 360 000
NAV ex. MTM IRS		114 499 000	108 766 000	103 306 000
MTM IRS (77 %)		1 811 000	1 811 000	1 811 000
NAV		116 310 000	110 577 000	105 117 000
NAV per 1% ex. MTM IRS		1 145 000	1 088 000	1 033 000
NAV per 1%		1 163 000	**1 106 000**	1 051 000
Property value per sq.m.		20 500	20 000	19 500
LTV (property value)		52 %	54 %	55 %
LTV incl. Tax discount & MTM IRS		54 %	55 %	57 %
IRR since establishment ex./incl. MTM IRS		15% / 15%	13% / 14%	11% / 12%
Total return ex./incl. MTM IRS		44% / 46%	38% / 40%	32% / 34%
Est. cash flow to equity (avg. next 3 years)		8,5 %	8,9 %	9,4 %

DEBT STRUCTURE AT 31.12.2018

	Balance	Interest rate	IRS maturity
Tranche 1	61 344 000	2,85 %	Floating
Tranche 2	75 000 000	3,00 %	17.08.2026
Tranche 3	3 000 000	2,85 %	Floating
Long-term liabilities	139 344 000	2,93 %	

COMMENT

The project consists of two modern retail properties built in 2010. The properties are located in well established retail areas in Porsgrunn and Moss.

Havnekvartalet Holding AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 354	6,00 %	852 000	7,1 yrs	Office	31.12.2018

Project Broker	Business Manager	Secondhand trade
Haakon Shetelig	Monica Staff	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 64 39	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	19.12.2018
Currency	NOK
Initial property value	352 500 000
Initial property value per sq.m.	29 400
Net yield at establishment	6,0 %
Initial financing	
Bank loan	-
Seller's credit	30 000 000
Paid in capital	91 500 000
Project price	121 500 000
Equity	
Initial paid in capital	91 500 000
Uncalled committed capital	-
Paid in capital per 1%	915 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	-
Accumulated dividend in % of paid in capital	0 %
Last traded per 1%	-
Last trade date	-

PROPERTY INFORMATION

Location	Vestre Strandgate 23-27-29
Segment	Office
Tenant(s)	Asplan Viak, Advokatfirma Tofte, Advokatfirma Wigemyr, et. al
Key figures	
Building area (sq.m.)	11 981
Plot, freehold (sq.m)	2 466
Year of construction	1956-57, 1974
Parking	Approx. 26
Tax depreciation rate building	2 %
Weighted average unexpired lease term	7,1 years
Weighted CPI adjustment	99 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	1 868
Average rent per sq.m. 2019	1 868
Business Management	Fearnley Business Management AS / Forvaltningspartner AS
Property Management	Forvaltningspartner AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	22 385 000	22 938 000	23 505 000
Owner's costs	-1 164 000	-1 194 000	-1 223 000
Net rental income	21 221 000	21 744 000	22 282 000
Other rental income	-	-	-
Administration expenses	-770 000	-789 000	-809 000
Other operating expenses	-	-	-
EBITDA	20 451 000	20 955 000	21 473 000
Net financial expenses	-10 039 000	-9 707 000	-9 374 000
Estimated tax payable	-	-	-
Installments	-7 892 000	-7 892 000	-7 892 000
Investments	-	-	-
Dividends	-2 250 000	-3 270 000	-4 050 000
Net cash flow	270 000	86 000	157 000
Dividend yield (basis NAV)	2,6 %	3,8 %	4,8 %
Est. cash flow to equity (basis NAV)	12,2 %	13,2 %	14,2 %

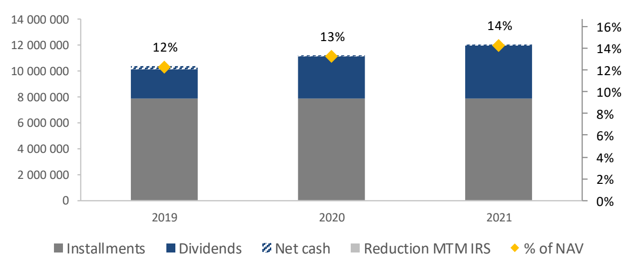
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	325 000	595 000	681 000	838 000
Value of loss carry forward	4 974 000	4 482 000	3 871 000	3 143 000
Property value[1]	341 944 000	341 944 000	341 944 000	341 944 000
Total assets	347 243 000	347 021 000	346 496 000	345 925 000
Short-term liabilities	-	1 718 000	1 667 000	1 616 000
Accrued Taxes	-	-	-	-
Long-term liabilities	262 000 000	254 108 000	246 216 000	238 324 000
Total Liabilities	262 000 000	255 826 000	247 883 000	239 940 000
NAV ex. MTM IRS[2]	85 243 000	91 195 000	98 613 000	105 985 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		5,75 %	6,00 %	6,25 %
Property value		369 100 000	353 700 000	339 500 000
Tax discount	9 %	-13 142 000	-11 756 000	-10 478 000
Value of loss carry forward	10 %	4 974 000	4 974 000	4 974 000
Net debt		-261 675 000	-261 675 000	-261 675 000
NAV ex. MTM IRS		99 257 000	85 243 000	72 321 000
MTM IRS (0 %)		-	-	-
NAV		99 257 000	85 243 000	72 321 000
NAV per 1% ex. MTM IRS		993 000	852 000	723 000
NAV per 1%		993 000	**852 000**	723 000
Property value per sq.m.		30 800	29 500	28 300
LTV (property value)		71 %	74 %	77 %
LTV incl. MTM IRS		71 %	74 %	77 %
IRR since establishment ex./incl. MTM IRS		n/a	n/a	n/a
Total return ex./incl. MTM IRS		n/a	n/a	n/a
Est. cash flow to equity (avg. next 3 years)		11,3 %	13,2 %	15,6 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	107 500 000	3,35 %	Floating
Tranche 2	124 500 000	3,93 %	31.01.2024
Tranche 3	30 000 000	5,00 %	Fixed
Long-term liabilities	262 000 000	3,81 %	

COMMENT

Modern office property centrally located by the sea in Kristiansand city centre.

Industrieiendom Sørlandet AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 216	6,60 %	737 000	9,8 yrs	Industrial	31.12.2018

Project Broker	Business Manager	Secondhand trade
Lars Torgerson Øygard	Geir Åge Rønneberg	Axel Bendvold
(+47) 22 93 63 35	(+47) 22 93 64 53	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	04.04.2018
Currency	NOK
Initial property value	204 800 000
Initial property value per sq.m.	10 488
Net yield at establishment	6,7 %
Initial financing	
Bank loan	138 200 000
Paid in capital	66 500 000
Project price	204 700 000
Equity	
Initial paid in capital	66 500 000
Uncalled committed capital	-
Paid in capital per 1%	665 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	28 000
Accumulated dividend in % of paid in capital	4 %
Last traded per 1%	-
Last trade date	-

PROPERTY INFORMATION

Location	Mjåvannsvegen 90/128/226, Kristiansand
Segment	Industrial
Tenant(s)	CEMO AS, Norsk Gjenvinning Miljøeiendommer AS, Sørlandschips AS
Key figures	
Building area (sq.m.)	19 528
Plot, freehold (sq.m)	49 347
Year of construction	2001/2016/2017
Tax depreciation rate building	4 %
Weighted average unexpired lease term	9,8 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	759
Average rent per sq.m. 2019	782
Business Management	Mjåvannsparken Eiendomsdrift AS / Fearnley Business Management AS
Property Management	Mjåvannsparken Eiendomsdrift AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	15 267 000	15 572 000	15 883 000
Owner's costs	-1 030 000	-1 051 000	-1 072 000
Net rental income	14 237 000	14 521 000	14 811 000
Other rental income	236 000	236 000	236 000
Administration expenses	-509 000	-519 000	-529 000
Other operating expenses	-400 000	-	-
EBITDA	13 564 000	14 238 000	14 518 000
Net financial expenses	-5 365 000	-5 163 000	-4 951 000
Estimated tax payable	-	-	-764 000
Installments	-4 895 000	-5 155 000	-5 415 000
Investments	-	-	-
Dividends	-3 750 000	-3 900 000	-3 425 000
Net cash flow	-446 000	20 000	-37 000
Dividend yield (basis NAV)	5,1 %	5,3 %	4,6 %
Est. cash flow to equity (basis NAV)	11,3 %	12,5 %	12,1 %

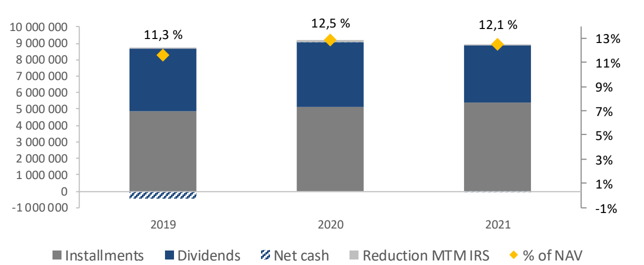
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	1 961 000	1 515 000	1 535 000	1 498 000
Value of loss carry forward	309 000	44 000	-	-
Property value[1]	206 165 000	206 165 000	206 165 000	206 165 000
Total assets	208 435 000	207 724 000	207 700 000	207 663 000
Short-term liabilities	639 000	230 000	221 000	211 000
Accrued Taxes	-	-	764 000	1 047 000
Long-term liabilities	134 676 000	129 781 000	124 626 000	119 211 000
Total Liabilities	135 315 000	130 011 000	125 611 000	120 469 000
NAV ex. MTM IRS[2]	73 120 000	77 713 000	82 089 000	87 194 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**6,50 %**	**6,60 %**	**6,70 %**
Property value		219 000 000	215 700 000	212 500 000
Tax discount	10 %	-9 865 000	-9 535 000	-9 215 000
NPV other rental income		1 557 000	1 557 000	1 557 000
Value of loss carry forward	10 %	309 000	309 000	309 000
Net debt		-133 354 000	-133 354 000	-133 354 000
NAV ex. MTM IRS		77 647 000	74 677 000	71 797 000
MTM IRS (90 %)		-956 000	-956 000	-956 000
NAV		76 691 000	73 721 000	70 841 000
NAV per 1% ex. MTM IRS		776 000	747 000	718 000
NAV per 1%		767 000	**737 000**	708 000
Property value per sq.m.		11 200	11 000	10 900
LTV		64 %	65 %	66 %
LTV incl. MTM IRS		65 %	66 %	67 %
IRR since establishment ex./incl. MTM IRS		n/a	n/a	n/a
Total return ex./incl. MTM IRS		n/a	n/a	n/a
Est. cash flow to equity (avg. next 3 years)		11,5 %	11,9 %	12,4 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	67 338 000	3,55 %	Floating
Tranche 2	67 338 000	4,42 %	15.03.2028
Long-term liabilities	134 676 000	3,99 %	

COMMENT

The portfolio consists of modern production facilities for Sørlandschips and CEMO, and recycling facilities for Norsk Gjenvinning. The properties are located in the well established Mjåvann industrial area 7 km west of Kristiansand city centre.

KombiEiendom Invest AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 330	**6,00 %**	**1 416 000**	**6 yrs**	**Industrial**	**31.12.2018**

Project Broker	**Business Manager**	**Secondhand trade**
Haakon Shetelig	Marianne Fossum	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 64 52	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	26.06.2006
Currency	NOK
Initial property value	420 000 000
Initial property value per sq.m.	9 582
Net yield at establishment	6,6 %
Initial financing	
Bank loan	344 800 000
Paid in capital	85 200 000
Project price	430 000 000
Equity	
Initial paid in capital	85 200 000
Issue of new shares	10 000 000
Uncalled committed capital	-
Paid in capital per 1%	952 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	845 000
Accumulated dividend in % of paid in capital	89 %
Last traded per 1%	1 236 000
Last trade date	08.01.2019

PROPERTY INFORMATION

Location	Kjerraten 16, Drammen
Segment	Industrial
Tenant(s)	Draka Norsk Kabel AS
Key figures	**Total**
Building area (sq.m.)	43 830
Plot, freehold (sq.m)	53 000
Tax depreciation rate building	4 %
Weighted average unexpired lease term	6 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	332
Average rent per sq.m. 2019	459
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	20 126 000	20 529 000	20 939 000
Owner's costs	-300 000	-306 000	-312 000
Net rental income	19 826 000	20 223 000	20 627 000
Other rental income	-	-	-
Administration expenses	-666 000	-678 000	-690 000
Other operating expenses	-	-	-
EBITDA	19 160 000	19 545 000	19 937 000
Net financial expenses	-7 177 000	-6 717 000	-6 363 000
Estimated tax payable	-1 641 000	-2 007 000	-2 235 000
Installments	-8 000 000	-8 000 000	-8 000 000
Investments	-	-	-
Dividends	-	-	-
Net cash flow	2 342 000	2 821 000	3 339 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	7,3 %	7,6 %	8,0 %

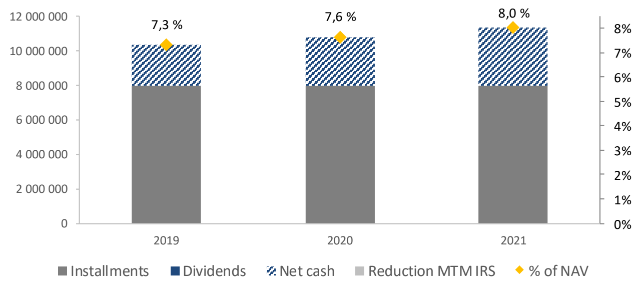
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	1 030 000	3 372 000	6 193 000	9 532 000
Property value[1]	312 150 000	312 150 000	312 150 000	312 150 000
Total assets	313 180 000	315 522 000	318 343 000	321 682 000
Short-term liabilities	918 000	910 000	901 000	893 000
Accrued taxes	1 641 000	2 007 000	2 235 000	2 439 000
Long-term liabilities	169 000 000	161 000 000	153 000 000	145 000 000
Total Liabilities	171 559 000	163 917 000	156 136 000	148 332 000
NAV ex. MTM IRS[2]	141 621 000	151 605 000	162 207 000	173 350 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**5,75 %**	**6,00 %**	**6,25 %**
Property value		345 000 000	330 000 000	317 000 000
Tax discount	10 %	-19 350 000	-17 850 000	-16 550 000
NPV other rental income		-	-	-
Net debt		-170 529 000	-170 529 000	-170 529 000
NAV ex. MTM IRS		155 121 000	141 621 000	129 921 000
MTM IRS (0 %)		-	-	-
NAV		155 121 000	141 621 000	129 921 000
NAV per 1% ex. MTM IRS		1 551 000	1 416 000	1 299 000
NAV per 1%		1 551 000	**1 416 000**	1 299 000
Property value per sq.m.		7 900	7 500	7 200
LTV (property value)		49 %	51 %	53 %
LTV incl. Tax discount & MTM IRS		52 %	54 %	56 %
IRR since establishment ex./incl. MTM IRS		10% / 10%	9% / 9%	9% / 9%
Total return ex./incl. MTM IRS		169% / 169%	154% / 154%	140% / 140%
Est. cash flow to equity (avg. next 3 years)		7,0 %	7,6 %	8,3 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	169 000 000	4,20 %	Floating
Long-term liabilities	169 000 000	4,20 %	

COMMENT

The property is centrally located at Holmen, the main port of Drammen that annually handles nearly 110 000 cars. The property is let out on a triple net lease to Draka Norsk Kabel AS / Prysmian Group.

Kombieiendom Østlandet AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 361	5,50 %	2 186 000	5,7 yrs	Combined	31.12.2018

Project Broker	Business Manager	Secondhand trade
Fredrik Honningsvåg	Marianne Fossum	Axel Bendvold
(+47) 22 93 64 59	(+47) 22 93 64 52	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	16.12.2015
Currency	NOK
Initial property value	215 000 000
Initial property value per sq.m.	8 599
Net yield at establishment	9,0 %
Initial financing	
Bank loan	140 000 000
Paid in capital	71 800 000
Project price	211 800 000
Equity	
Initial paid in capital	71 800 000
Uncalled committed capital	56 000 000
Paid in capital per 1%	718 000
Uncalled committed capital per 1%	560 000
Accumulated dividend per 1%	155 000
Accumulated dividend in % of paid in capital	22 %
Last traded per 1%	1 350 000
Last trade date	13.11.2018

PROPERTY INFORMATION

Location, Råde	Torvstikkeren 14, Råde
Location, Mastemyr	Lienga 2 and Mellomåsveien 1, Oppegård
Location, Hamar	Halsetsvea 24, Hamar
Segment	Combined purposes
Tenant(s)	Volvo Norge AS, Bring Logistics Solutions AS, Ford Motor Norge AS et al.

Key figures	**Råde**	**Mastemyr**	**Hamar**	**Total**
Building area (sq.m.)	1 820	20 943	2 240	25 003
Plot, freehold (sq.m)	10 889	77 603	12 000	100 492
Year of construction	2014	1979	2013	

Tax depreciation rate building	2-4 %
Weighted average unexpired lease term	5,7 years
Weighted CPI adjustment	96 %
Occupancy rate	88 %
Average rent per sq.m. at establishment	868
Average rent per sq.m. 2019	881
Business Management	Fearnley Business Management AS
Property Management	NHP Eiendom AS / Property Management Norge AS

CASH FLOW FORECAST

Year	2019E	2020E	2021E
Gross rental income	22 040 000	22 465 000	21 911 000
Owner's costs	-2 194 000	-2 238 000	-2 283 000
Net rental income	19 846 000	20 227 000	19 628 000
Other rental income	-	-	-
Administration expenses	-923 000	-941 000	-960 000
Other operating expenses	-4 405 000	-1 994 000	-2 033 000
EBITDA	14 518 000	17 292 000	16 635 000
Net financial expenses	-4 242 000	-4 130 000	-3 971 000
Estimated tax payable	-1 719 000	-1 344 000	-2 057 000
Installments	-4 667 000	-4 667 000	-4 667 000
Investments	-	-	-
Dividends	-4 000 000	-4 000 000	-4 000 000
Net cash flow	-110 000	3 151 000	1 940 000
Dividend yield (basis NAV)	1,8 %	1,8 %	1,8 %
Est. cash flow to equity (basis NAV)	3,9 %	5,4 %	4,9 %

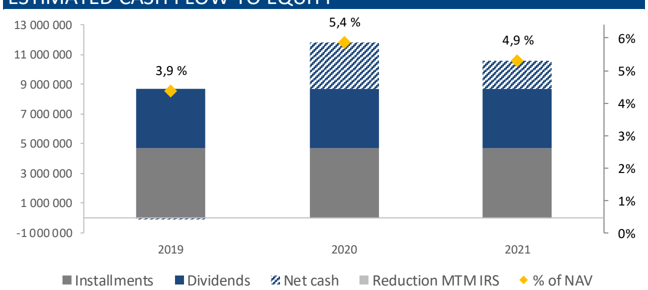
BALANCE SHEET FORECAST

Year	2018A	2019E	2020E	2021E
Current assets	12 000 000	11 890 000	15 041 000	16 981 000
Property value[1]	338 803 000	338 803 000	338 803 000	338 803 000
Total assets	350 803 000	350 693 000	353 844 000	355 784 000
Short-term liabilities	3 322 000	860 000	827 000	795 000
Accrued taxes	1 719 000	1 344 000	2 057 000	2 020 000
Long-term liabilities	127 167 000	122 500 000	117 833 000	113 166 000
Total Liabilities	132 208 000	124 704 000	120 717 000	115 981 000
NAV ex. MTM IRS[2]	218 595 000	225 989 000	233 127 000	239 803 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		5,25 %	5,50 %	5,75 %
Property value		378 000 000	360 800 000	345 100 000
Tax discount	10 %	-23 717 000	-21 997 000	-20 427 000
NPV other rental income		-	-	-
Net debt		-120 208 000	-120 208 000	-120 208 000
NAV ex. MTM IRS		234 075 000	218 595 000	204 465 000
MTM IRS (0 %)		-	-	-
NAV		234 075 000	218 595 000	204 465 000
NAV per 1% ex. MTM IRS		2 341 000	2 186 000	2 045 000
NAV per 1%		2 341 000	**2 186 000**	2 045 000
Property value per sq.m.		15 100	14 400	13 800
LTV		36 %	38 %	39 %
LTV incl. MTM IRS		36 %	38 %	39 %
IRR since establishment ex./incl. MTM IRS		53% / 53%	49% / 49%	46% / 46%
Total return ex./incl. MTM IRS		248% / 248%	226% / 226%	206% / 206%
Est. cash flow to equity (avg. next 3 years)		4,4 %	4,7 %	5,1 %

DEBT STRUCTURE AT 31.12.2018

	Balance	Interest rate	IRS maturity
Tranche 1	127 167 000	3,22 %	Floating
Long-term liabilities	127 167 000	3,22 %	


Mastemyr


Mastemyr


Råde


Hamar

COMMENT

The project consists of four properties. The buildings in Råde and Hamar are located in central industrial parks and let out to Volvo Norge AS on long lease contracts. The properties in Mastemyr industrial park consist of two buildings, one warehouse building let out to Volvo Norge AS and Bring Logistics Solutions AS, and one office building mainly let out to Mazda Motor Norge AS and Ford Motor Norge AS.

Kronogården Bolig AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MSEK 69	**6,25 %**	**179 000**	**1 year**	**Residential**	**31.12.2018**

Project Broker	Business Manager	Secondhand trade
Fredrik Honningsvåg	Håvard Urberg	Axel Bendvold
(+47) 22 93 64 59	(+47) 22 93 64 44	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	20.05.2016
Currency	SEK
Initial property value	65 000 000
Initial property value per sq.m.	7 003
Net yield at establishment	7,1 %
Initial financing	
Bank loan	49 350 000
Seller's credit	1 200 000
Paid in capital	13 638 000
Project price	64 188 000
Equity	
Initial paid in capital (100 % - Bodefarm AB)	13 638 000
Initial paid in capital (60 % - Kronogården Bolig AS)	8 838 003
Paid in capital per 1% (100 % - Bodefarm AB)	136 380
Paid in capital per 1% (60 % - Kronogården Bolig AS)	88 380
Accumulated dividend per 1%	-
Accumulated dividend in % of paid in capital	0 %
Last traded per 1% (NOK)	-
Last trade date	-

PROPERTY INFORMATION

Location	Trollhättan, Vest-Sverige
Segment	Residential
Key figures	
Building area (sq.m.)	9 282
No. of apartments	134
Plot, freehold (sq.m)	32 721
Year of construction	1960 / 1966 / 1968
Parking	Approx. 155
Tax depreciation rate building	2 %
Weighted average unexpired lease term	1 year
Weighted CPI adjustment	100 %
Occupancy rate	89 %
Average rent per sq.m. at establishment	949
Average rent per sq.m. 2019	994
Business Management	Fearnley Business Management AS
Property Management	APF Management AB

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	9 222 000	8 742 000	9 029 000
Owner's costs	-4 939 000	-4 988 000	-5 038 000
Net rental income	4 283 000	3 754 000	3 991 000
Market rent vacant space	-703 000	-	-
Administration expenses	-759 000	-767 000	-775 000
Other operating expenses	-500 000	-510 000	-520 000
EBITDA	2 321 000	2 477 000	2 696 000
Net financial expenses	-681 000	-668 000	-655 000
Estimated tax payable	-170 000	-184 000	-221 000
Installments	-867 000	-867 000	-867 000
Investments	-	-	-
Dividends	-	-	-
Net cash flow	603 000	758 000	953 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	8,2 %	9,1 %	10,2 %

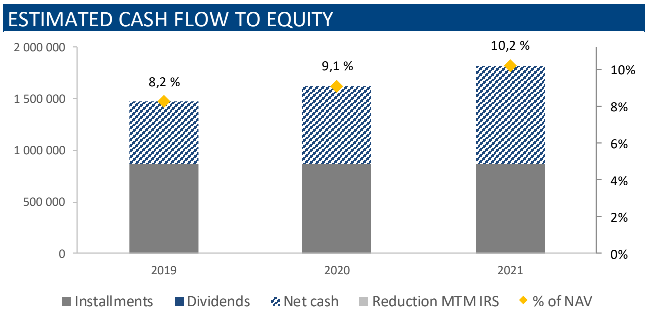
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	527 000	1 130 000	1 888 000	2 841 000
Property value[1]	65 242 000	65 242 000	65 242 000	65 242 000
Total assets	65 769 000	66 372 000	67 130 000	68 083 000
Short-term liabilities	548 000	557 000	566 000	576 000
Accrued taxes	170 000	184 000	221 000	272 000
Long-term liabilities	47 196 000	46 329 000	45 462 000	44 595 000
Total Liabilities	47 914 000	47 070 000	46 249 000	45 443 000
NAV ex. MTM IRS[2]	17 855 000	19 302 000	20 881 000	22 640 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**6,00 %**	**6,25 %**	**6,50 %**
Property value		71 400 000	68 500 000	65 900 000
Tax discount	10 %	-3 548 000	-3 258 000	-2 998 000
Net debt		-47 387 000	-47 387 000	-47 387 000
NAV ex. MTM IRS		20 465 000	17 855 000	15 515 000
MTM IRS (0 %)		-	-	-
NAV		20 465 000	17 855 000	15 515 000
NAV per 1% ex. MTM IRS		205 000	179 000	155 000
NAV per 1% (100 % - Bodefarm AB)		205 000	179 000	155 000
NAV per 1% (60 % - Kronogården Bolig AS)		123 000	**107 000**	93 000
Property value per sq.m.		7 700	7 400	7 100
LTV (property value)		66 %	69 %	72 %
LTV incl. Tax discount & MTM IRS		70 %	72 %	75 %
IRR since establishment ex./incl. MTM IRS		17% / 17%	11% / 11%	5% / 5%
Total return ex./incl. MTM IRS		50 %	31 %	14 %
Est. cash flow to equity (avg. next 3 years)		8,0 %	9,2 %	10,6 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	15 291 000	1,60 %	Floating
Tranche 2	22 732 000	1,18 %	Floating
Tranche 3	9 173 000	1,60 %	Floating
Long-term liabilities	47 196 000	1,40 %	

COMMENT

Kronogården Bolig AS owns 60 % of the shares in Bodefarm AB. Cash flow forecast, balance sheet forecast, estimated cash flow to equity, debt structure, estimated value and NAV per 1 % is on 100 % basis for Bodefarm AB. In addition we present NAV per 1 % for Kronogården Bolig AS.

Lillestrøm Sentrumsbolig AS

Expected completion	Last traded per 1%	Segment	Date of analysis
Q4 2021	875 000	Residential	31.12.2018

Project Broker	Business Manager	Secondhand trade
Haakon Shetelig	Theo Thorkildsen	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 63 43	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	28.10.2015
Currency	NOK
Initial property value	105 500 000
Initial property value per sq.m.[1]	8 508
Initial financing	
Bank loan	55 000 000
Shareholder loan	10 000 000
Paid in capital	45 000 000
Total invested capital	110 000 000
Equity	
Initial paid in capital	45 000 000
Paid in capital per 1%	450 000
Shareholder loan per 1%[2]	200 000
Last traded per 1%	875 000
Last trade date	12.11.2018

Note 1: Per projected residential building area (sq.m.)

Note 2: Loan given pro rata by 50% of the shareholders, excluding Eiendomsgruppen Oslo AS.

PROJECT STATUS

Year	*31.12.2016*	*30.06.2017*	*31.12.2017*	*31.12.2018*
Sold apartments	100	165	166	153
Delivered apartments	-	-	-	-
Unsold completed apartments	-	-	-	-
Total completed apartments	-	-	-	-

Accumulated sales revenue	345 900 000	666 000 000	679 000 000	590 200 000
Accumulated project cost	128 500 000	146 500 000	154 100 000	222 900 000

PROPERTY INFORMATION

Location	Lillestrøm
Segment	Residential development
Key figures	
Achieved sales price per sq.m. (sold apt.)	68 100
Projected residential building area (sq.m.)	11 859
Projected number of apartments	192
Projected commercial building area (sq.m.)	1 990
Plot, freehold (sq.m)	4 882
Projected building period	2018 - 2020
Projected parking	154
Initial projections	
Sales price per sq.m.	55 000
Sales revenue	763 000 000
Project cost	648 000 000
Profit margin	115 000 000
Total return (before/after tax)	255% / 159%
Current timeline	
Building stages	3
Sales start of first building stage	Q2 2016
Building start	Q4 2018
Expected completion	Q4 2021
Business Management	Fearnley Business Management AS
Project Manager	Eiendomsgruppen Oslo AS
Web site	www.dovrekvartalet.no

COMMENT

The project was established in the Q4 2015. Sales start for the first building stage was Q2 2016, as projected. The projected building start of the first building stage is Q1 2018. Expected completion of the project is Q4 2021.

M17 Holding AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 110	5,50 %	323 000	5,7 yrs	Mixed	31.12.2018

Project Broker	Business Manager	Secondhand trade
Haakon Shetelig	Monica Staff	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 64 39	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	27.11.2018
Currency	NOK
Initial property value	110 000 000
Initial property value per sq.m.	42 835
Net yield at establishment	5,5 %
Initial financing	
Bank loan	77 000 000
Paid in capital	35 200 000
Project price	112 200 000
Equity	
Initial paid in capital	35 200 000
Uncalled committed capital	-
Paid in capital per 1%	352 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	-
Accumulated dividend in % of paid in capital	0 %
Last traded per 1%	-
Last trade date	-

PROPERTY INFORMATION

Location	Markens gate 17, Kristiansand
Segment	Mixed
Tenant(s)	7/11, Gjensidige, Löplabbet, m.fl.
Key figures	
Building area (sq.m.)	2 568
Plot, freehold (sq.m)	733
Year of construction	1894/2007
Parking	0
Tax depreciation rate building	2 %
Weighted average unexpired lease term	5,7 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	2 550
Average rent per sq.m. 2019	2 550
Business Management	Mosvold & Co AS/Fearnley Business Management AS
Property Management	Mosvold & Co AS

CASH FLOW FORECAST

Year	***2019E***	***2020E***	***2021E***
Gross rental income	6 548 000	6 679 000	6 813 000
Owner's costs	-524 000	-534 000	-545 000
Net rental income	6 024 000	6 145 000	6 268 000
Other rental income	-	-	-
Administration expenses	-426 000	-434 000	-443 000
Other operating expenses	-	-	-
EBITDA	5 598 000	5 711 000	5 825 000
Net financial expenses	-2 967 000	-2 902 000	-2 800 000
Estimated tax payable	-	-	-
Installments	-664 000	-2 655 000	-2 655 000
Investments	-	-	-
Dividends	-	-	-
Net cash flow	1 967 000	154 000	370 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	8,1 %	8,7 %	9,4 %

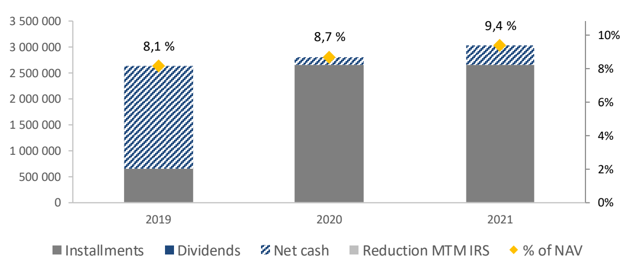
BALANCE SHEET FORECAST

Year	***2018A***	***2019E***	***2020E***	***2021E***
Current assets	32 000	1 999 000	2 153 000	2 523 000
Value of loss carry forward	1 579 000	1 429 000	1 254 000	1 050 000
Property value[1]	107 916 000	107 916 000	107 916 000	107 916 000
Total assets	109 527 000	111 344 000	111 323 000	111 489 000
Short-term liabilities	195 000	193 000	187 000	180 000
Accrued Taxes	-	-	-	-
Long-term liabilities	77 000 000	76 336 000	73 681 000	71 026 000
Total Liabilities	77 195 000	76 529 000	73 868 000	71 206 000
NAV ex. MTM IRS[2]	32 332 000	34 815 000	37 455 000	40 283 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**5,25 %**	**5,50 %**	**5,75 %**
Property value		114 800 000	110 000 000	104 800 000
Tax discount	10 %	-2 564 000	-2 084 000	-1 564 000
Value of loss carry forward	10 %	1 579 000	1 579 000	1 579 000
Net debt		-77 163 000	-77 163 000	-77 163 000
NAV ex. MTM IRS		36 652 000	32 332 000	27 652 000
MTM IRS (0 %)		-	-	-
NAV		36 652 000	32 332 000	27 652 000
NAV per 1% ex. MTM IRS		367 000	323 000	277 000
NAV per 1%		367 000	**323 000**	277 000
Property value per sq.m.		44 700	42 800	40 800
LTV		69 %	71 %	75 %
LTV incl. MTM IRS		69 %	71 %	75 %
IRR since establishment ex./incl. MTM IRS		n/a	n/a	n/a
Total return ex./incl. MTM IRS		n/a	n/a	n/a
Est. cash flow to equity (avg. next 3 years)		7,7 %	8,7 %	10,2 %

DEBT STRUCTURE AT 31.12.2018

	Balance	***Interest rate***	***IRS maturity***
Tranche 1	25 667 000	3,21 %	Floating
Tranche 2	25 667 000	3,94 %	06.12.2023
Tranche 3	25 667 000	4,25 %	06.12.2028
Long-term liabilities	77 000 000	3,80 %	

COMMENT

The property is centrally located in Kristiansands main shopping street

Mjåvann Eiendomsinvest AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 53	6,50 %	264 000	8,7 yrs	Industrial	31.12.2018

Project Broker	Business Manager	Secondhand trade
Haakon Shetelig	Fredrik Andresen	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 63 46	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	04.07.2014
Currency	NOK
Initial property value	40 500 000
Initial property value per sq.m.	11 172
Net yield at establishment	7,5 %
Initial financing	
Bank loan	30 000 000
Paid in capital	10 800 000
Project price	40 800 000
Equity	
Initial paid in capital	10 800 000
Uncalled committed capital	-
Paid in capital per 1%	108 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	36 000
Accumulated dividend in % of paid in capital	33 %
Last traded per 1%	166 000
Last trade date	06.04.2016

PROPERTY INFORMATION

Location	Mjåvann industrial park, Kristiansand
Segment	Industrial
Tenant(s)	Nor Tekstil AS
Key figures	
Building area (sq.m.)	3 625
Plot, freehold (sq.m)	8 964
Year of construction	2007
Tax depreciation rate building	4 %
Weighted average unexpired lease term	8,7 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	891
Average rent per sq.m. 2019	1 013
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	3 672 000	3 745 000	3 820 000
Owner's costs	-243 000	-248 000	-253 000
Net rental income	3 429 000	3 497 000	3 567 000
Other rental income	-	-	-
Administration expenses	-248 000	-252 000	-257 000
Other operating expenses	-	-	-
EBITDA	3 181 000	3 245 000	3 310 000
Net financial expenses	-742 000	-704 000	-664 000
Estimated tax payable	-273 000	-317 000	-353 000
Installments	-1 200 000	-1 200 000	-1 200 000
Investments	-	-	-
Dividends	-750 000	-750 000	-750 000
Net cash flow	216 000	274 000	343 000
Dividend yield (basis NAV)	2,8 %	2,8 %	2,8 %
Est. cash flow to equity (basis NAV)	8,0 %	8,2 %	8,5 %

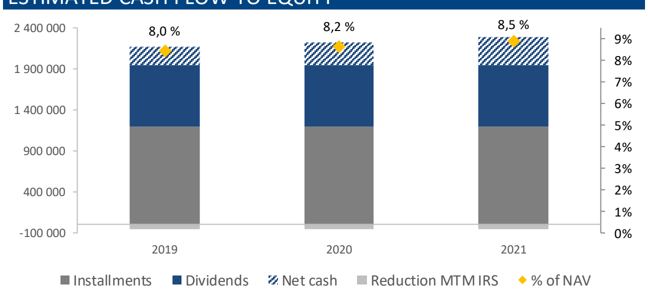
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	1 250 000	1 466 000	1 740 000	2 083 000
Property value[1]	50 395 000	50 395 000	50 395 000	50 395 000
Total assets	51 645 000	51 861 000	52 135 000	52 478 000
Short-term liabilities	167 000	159 000	151 000	144 000
Accrued taxes	273 000	317 000	353 000	388 000
Long-term liabilities	25 200 000	24 000 000	22 800 000	21 600 000
Total Liabilities	25 640 000	24 476 000	23 304 000	22 132 000
NAV ex. MTM IRS[2]	26 005 000	27 385 000	28 831 000	30 346 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**6,25 %**	**6,50 %**	**6,75 %**
Property value		54 900 000	52 800 000	50 800 000
Tax discount	10 %	-2 615 000	-2 405 000	-2 205 000
NPV other rental income		-	-	-
Net debt		-24 390 000	-24 390 000	-24 390 000
NAV ex. MTM IRS		27 895 000	26 005 000	24 205 000
MTM IRS (77 %)		402 000	402 000	402 000
NAV		28 297 000	26 407 000	24 607 000
NAV per 1% ex. MTM IRS		279 000	260 000	242 000
NAV per 1%		283 000	**264 000**	246 000
Property value per sq.m.		15 100	14 600	14 000
LTV (property value)		46 %	48 %	50 %
LTV incl. Tax discount & MTM IRS		47 %	49 %	51 %
IRR since establishment ex./incl. MTM IRS		29% / 30%	28% / 28%	26% / 26%
Total return ex./incl. MTM IRS		192% / 195%	174% / 178%	157% / 161%
Est. cash flow to equity (avg. next 3 years)		7,7 %	8,2 %	8,8 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	25 200 000	3,00 %	10.10.2026
Long-term liabilities	25 200 000	3,00 %	

COMMENT

The Property is located in the well established Mjåvann industrial area in Songdalen Municipality, approximately 7 km west of Kristiansand city centre. The industrial area is around 900 000 sq.m. and houses number of well-known businesses such as Sørlandschips, Kruse Smith, Netthandelen, Bygger'n, Volvo, Bertel O. Steen, Nettbuss. Mjåvann industrial area is located close to E39, the main road between Kristiansand and Stavanger, and approximately 10 minutes from Kristiansand.

Rjukan Næringspark KS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 57	13,00 %	403 000	1,9 yrs	Industrial	31.12.2018

Project Broker	Business Manager	Secondhand trade
Haakon Shetelig	Geir Åge Rønneberg	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 64 53	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	07.04.2011
Currency	NOK
Initial property value	39 375 000
Initial property value per sq.m.	854
Net yield at establishment	11,5 %
Initial financing	
Bank loan	28 000 000
Paid in capital	11 000 000
Project price	39 000 000
Equity	
Initial paid in capital	11 000 000
Uncalled committed capital	6 100 000
Paid in capital per 1%	110 000
Uncalled committed capital per 1%	61 000
Accumulated dividend per 1%	271 200
Accumulated dividend in % of paid in capital	247 %
Last traded per 1%	220 000
Last trade date	23.11.2012

PROPERTY INFORMATION

Location	Rjukan
Segment	Industrial
Tenant(s)	Yara Praxair AS et. Al
Key figures	
Building area (sq.m.)	46 106
Plot, freehold (sq.m)	129 149
Year of construction	1909 / 1990
Parking	Unlimited
Tax depreciation rate building	4 %
Weighted average unexpired lease term	1,9 years
Weighted CPI adjustment	91 %
Occupancy rate	79 %
Average rent per sq.m. at establishment	258
Average rent per sq.m. 2019	287
Business Management	Fearnley Business Management AS
Property Management	Rjukan Næringspark KS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	10 417 000	10 698 000	11 059 000
Owner's costs	-3 003 000	-3 063 000	-3 124 000
Net rental income	7 414 000	7 635 000	7 935 000
Other rental income	1 000 000	1 000 000	1 000 000
Administration expenses	-1 902 000	-1 940 000	-1 979 000
Other operating expenses	-600 000	-612 000	-624 000
EBITDA	5 912 000	6 083 000	6 332 000
Net financial expenses	-676 000	-648 000	-619 000
Estimated tax payable	-67 000	-89 000	-95 000
Installments	-444 000	-444 000	-444 000
Investments	-	-	-
Dividends	-2 500 000	-2 500 000	-2 500 000
Net cash flow	2 225 000	2 402 000	2 674 000
Dividend yield (basis NAV)	6,2 %	6,2 %	6,2 %
Est. cash flow to equity (basis NAV)	12,8 %	13,3 %	14,0 %

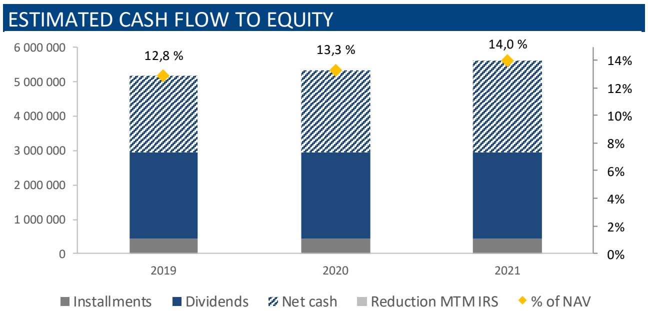
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	3 264 000	5 489 000	7 891 000	10 565 000
Property value[1]	53 600 000	53 600 000	53 600 000	53 600 000
Total assets	56 864 000	59 089 000	61 491 000	64 165 000
Short-term liabilities	11 000	11 000	11 000	11 000
Accrued taxes	67 000	89 000	95 000	103 000
Long-term liabilities	19 111 000	18 667 000	18 223 000	17 779 000
Total Liabilities	19 189 000	18 767 000	18 329 000	17 893 000
NAV ex. MTM IRS[2]	37 675 000	40 322 000	43 162 000	46 272 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY

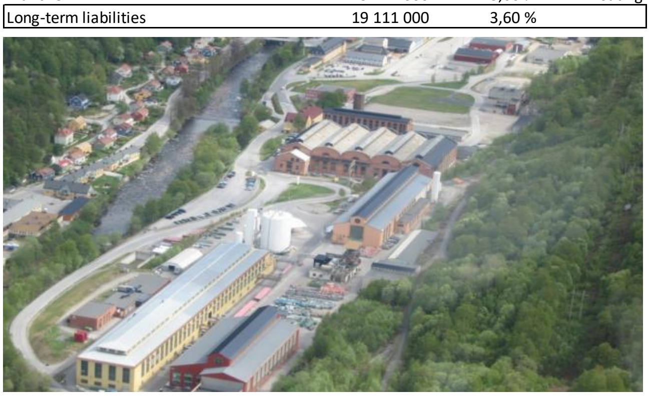


ESTIMATED VALUE AT 31.12.2018

Net Yield		**11,00 %**	**13,00 %**	**15,00 %**
Property value		67 400 000	57 000 000	49 400 000
Tax discount	10 %	-4 440 000	-3 400 000	-2 640 000
NPV other rental income		2 577 000	2 577 000	2 577 000
Net debt		-15 925 000	-15 925 000	-15 925 000
NAV ex. MTM IRS		49 612 000	40 252 000	33 412 000
MTM IRS (0 %)		-	-	-
NAV		49 612 000	40 252 000	33 412 000
NAV per 1% ex. MTM IRS		496 000	403 000	334 000
NAV per 1%		496 000	**403 000**	334 000
Property value per sq.m.		1 500	1 200	1 100
LTV (property value)		28 %	34 %	39 %
LTV incl. Tax discount & MTM IRS		30 %	36 %	41 %
IRR since establishment ex./incl. MTM IRS		31% / 31%	29% / 29%	27% / 27%
Total return ex./incl. MTM IRS		532% / 532%	448% / 448%	385% / 385%
Est. cash flow to equity (avg. next 3 years)		10,8 %	13,4 %	16,1 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	19 111 000	3,60 %	Floating
Long-term liabilities	19 111 000	3,60 %	



COMMENT

The property is Norsk Hydro ASA's former industrial plant at Rjukan.

Rygge Eiendomsinvest KS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 31	8,25 %	207 000	9,5 yrs	Industrial	31.12.2018

Project Broker	Business Manager	Secondhand trade
Lars Torgerson Øygard	Monica Staff	Axel Bendvold
(+47) 22 93 63 35	(+47) 22 93 64 39	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	19.09.2012
Currency	NOK
Initial property value	24 500 000
Initial property value per sq.m.	7 242
Net yield at establishment	8,8 %
Initial financing	
Bank loan	18 750 000
Deferred facilitation fee	613 000
Paid in capital	6 150 000
Project price	25 513 000
Equity	
Initial paid in capital	6 150 000
Uncalled committed capital	1 500 000
Paid in capital per 1%	61 500
Uncalled committed capital per 1%	15 000
Accumulated dividend per 1%	76 000
Accumulated dividend in % of paid in capital	124 %
Last traded per 1%	114 000
Last trade date	14.06.2016

PROPERTY INFORMATION

Location	Sognshøy Næringspark, Råde
Segment	Industrial
Tenant(s)	Ischebeck Nordic AS, Ipoa AS
Key figures	
Building area (sq.m.)	3 383
Plot, freehold (sq.m)	27 583
Year of construction	1982 / 1995
Tax depreciation rate building	4 %
Weighted average unexpired lease term	9,5 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	698
Average rent per sq.m. 2019	821
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	2 778 000	2 834 000	2 890 000
Owner's costs	-250 000	-255 000	-261 000
Net rental income	2 528 000	2 579 000	2 629 000
Other rental income	-	-	-
Administration expenses	-140 000	-143 000	-146 000
Other operating expenses	-100 000	-	-
EBITDA	2 288 000	2 436 000	2 483 000
Net financial expenses	-366 000	-332 000	-294 000
Estimated tax payable	-6 000	-28 000	-33 000
Installments	-750 000	-1 000 000	-1 000 000
Investments	-	-	-
Dividends	-1 100 000	-1 100 000	-1 100 000
Net cash flow	66 000	-24 000	56 000
Dividend yield (basis NAV)	5,3 %	5,3 %	5,3 %
Est. cash flow to equity (basis NAV)	9,3 %	10,0 %	10,4 %

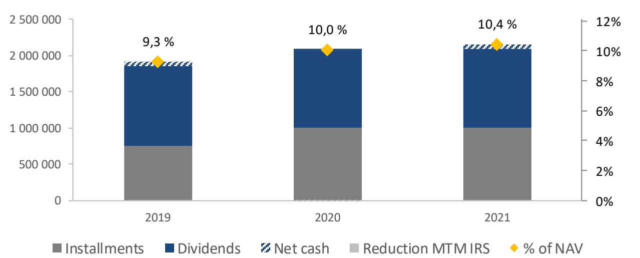
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	1 284 000	1 350 000	1 326 000	1 382 000
Property value[1]	29 442 000	29 442 000	29 442 000	29 442 000
Total assets	30 726 000	30 792 000	30 768 000	30 824 000
Short-term liabilities	144 000	41 000	36 000	32 000
Accrued taxes	6 000	28 000	33 000	36 000
Long-term liabilities	9 917 000	9 167 000	8 167 000	7 167 000
Total Liabilities	10 067 000	9 236 000	8 236 000	7 235 000
NAV ex. MTM IRS[2]	20 659 000	21 556 000	22 532 000	23 589 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**7,75 %**	**8,25 %**	**8,75 %**
Property value		32 600 000	30 640 000	28 900 000
Tax discount	10 %	-1 394 000	-1 198 000	-1 024 000
NPV other rental income		-	-	-
Net debt		-8 783 000	-8 783 000	-8 783 000
NAV ex. MTM IRS		22 423 000	20 659 000	19 093 000
MTM IRS (0 %)		-	-	-
NAV		22 423 000	20 659 000	19 093 000
NAV per 1% ex. MTM IRS		224 000	207 000	191 000
NAV per 1%		224 000	**207 000**	191 000
Property value per sq.m.		9 600	9 100	8 500
LTV (property value)		30 %	32 %	34 %
LTV incl. Tax discount & MTM IRS		32 %	34 %	36 %
IRR since establishment ex./incl. MTM IRS		33% / 33%	32% / 32%	30% / 30%
Total return ex./incl. MTM IRS		396% / 396%	368% / 368%	342% / 342%
Est. cash flow to equity (avg. next 3 years)		9,1 %	9,9 %	10,7 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	9 917 000	3,70 %	Floating
Long-term liabilities	9 917 000	3,70 %	

COMMENT

The property is located in Sognshøy industrial park, approximately 10 km from Moss city centre. There are several businesses within warehousing/logistics/industry located in the area. The industrial park is strategically located in close proximity to the main road E6 which connects the property to Oslo and Gothenburg. Ipoa AS has an option to purchase the property at a net purchase price of MNOK 30. The option can be exercised between 01.01.2020 and 30.06.2021.

Røyken Næringseiendom KS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 46	8,10 %	238 000	6,1 yrs	Retail	31.12.2018

Project Broker	Business Manager	Secondhand trade
Cato Hauge	Regine Hjelmtvedt	Axel Bendvold
(+47) 22 93 63 48	(+47) 22 93 63 37	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	16.10.2012
Currency	NOK
Initial property value	85 000 000
Initial property value per sq.m.	12 389
Net yield at establishment	7,6 %
Initial financing	
Bank loan	68 000 000
Paid in capital	19 200 000
Project price	87 200 000
Equity	
Initial paid in capital	19 200 000
Uncalled committed capital	15 000 000
Paid in capital per 1%	192 000
Uncalled committed capital per 1%	150 000
Accumulated dividend per 1%	16 000
Accumulated dividend in % of paid in capital	8 %
Last traded per 1%	225 000
Last trade date	16.01.2019

PROPERTY INFORMATION

Location	Båsetveien 3, Røyken
Segment	Retail
Tenant(s)	NorgesGruppen Buskerud AS, Nille AS, Røyken Apotek AS et al.
Key figures	
Building area (sq.m.)	4 253
Plot, freehold (sq.m)	7 834
Year of construction	2009
Parking	Approx. 55
Tax depreciation rate building	2 %
Weighted average unexpired lease term	6,1 years
Weighted CPI adjustment	100 %
Occupancy rate	85 %
Average rent per sq.m. at establishment	1 107
Average rent per sq.m. 2019	1 033
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	3 728 000	3 943 000	4 126 000
Market rent vacant space[1]	375 000	383 000	390 000
Owner's costs	-411 000	-433 000	-451 000
Net rental income	3 692 000	3 893 000	4 065 000
Other rental income	-	-	-
Administration expenses	-747 000	-771 000	-787 000
Other operating expenses	-1 432 008	-109 000	-96 000
EBITDA	1 512 992	3 013 000	3 182 000
Net financial expenses	-1 268 000	-1 005 000	-888 000
Estimated tax payable	-	-	-
Installments	-	-840 000	-840 000
Investments	-1 300 000	-	-
Dividends	-	-	-
Net cash flow	-1 055 008	1 168 000	1 454 000

Note 1: Assumed market rent vacant space

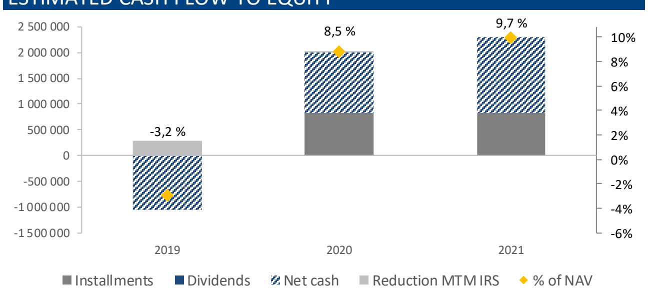
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	-3,2 %	8,5 %	9,7 %

BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	2 610 000	1 555 000	2 723 000	4 177 000
Value of loss carry forward	90 000	101 000	93 000	82 000
Property value[1]	45 075 000	45 075 000	45 075 000	45 075 000
Total assets	47 775 000	46 731 000	47 891 000	49 334 000
Short-term liabilities	709 000	260 000	185 000	178 000
Accrued taxes	-	-	-	-
Long-term liabilities	23 000 000	23 000 000	22 160 000	21 320 000
Total Liabilities	23 709 000	23 260 000	22 345 000	21 498 000
NAV ex. MTM IRS[2]	24 066 000	23 471 000	25 546 000	27 836 000

Note 1: adjusted for tax discount
Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**7,85 %**	**8,10 %**	**8,35 %**
Property value		47 000 000	45 600 000	44 200 000
Tax discount	10 %	-665 000	-525 000	-385 000
Value of loss carry forward	10 %	90 000	90 000	90 000
Net debt		-21 099 000	-21 099 000	-21 099 000
NAV ex. MTM IRS		25 326 000	24 066 000	22 806 000
MTM IRS (90 %)		-299 000	-299 000	-299 000
NAV		25 027 000	23 767 000	22 507 000
NAV per 1% ex. MTM IRS		253 000	241 000	228 000
NAV per 1%		250 000	**238 000**	225 000
Property value per sq.m.		11 100	10 700	10 400
LTV (property value)		49 %	50 %	52 %
LTV incl. Tax discount & MTM IRS		50 %	52 %	53 %
IRR since establishment ex./incl. MTM IRS		6% / 5%	5% / 5%	4% / 4%
Total return ex./incl. MTM IRS		40% / 39%	34% / 32%	27% / 26%
Est. cash flow to equity (avg. next 3 years)		4,7 %	5,0 %	5,3 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	21 000 000	5,56 %	15.01.2020
Tranche 2	2 000 000	4,00 %	Floating
Long-term liabilities	23 000 000	5,42 %	

COMMENT

The project originally consisted of two buildings, an office building and a shopping centre. The office building was sold in 2015.

Sarpsborg Sentrumsbolig AS

Completed	*Paid in capital per 1 %*	*Segment*	*Date of analysis*
Q2 2018	**220 000**	**Residential**	**31.12.2018**

Project Broker	**Business Manager**	**Secondhand trade**
Haakon Shetelig	Geir Åge Rønneberg	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 64 53	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	18.03.2016
Currency	NOK
Initial property value	24 500 000
Initial property value per sq.m.[1]	4 793
Initial financing	
Bank loan	-
Paid in capital	22 000 000
Total invested capital	22 000 000
Equity	
Initial paid in capital	22 000 000
Paid in capital per 1%	220 000
Dividend	
Total dividend	7 500 000
Dividend per 1 %	75 000
% of paid in capital	34 %
Last traded per 1%	-
Last trade date	-

Note 1: Per projected residential building area (sq.m.).
Value of existing construction, approx. NOK 3 000 per sq. m., has been deducted.

PROPERTY INFORMATION

Location	Sarpsborg
Segment	Residential development
Key figures	
Average sales price per sq.m. (sold apt.)	43 900
Residential building area (sq.m.)	3 136
Number of apartments	38
Commercial building area (sq.m.)	-
Plot, freehold (sq.m)	2 358
Building period	2017-2018
Parking	40
Initial projections	
Sales price per sq.m.	39 300
Sales revenue	123 190 000
Project cost	108 200 000
Profit	14 990 000
Total return (before/after tax)	68 % / 51 %
Current timeline	
Building stages	1
Sales start of first building stage	Q4 2016
Building start of first building stage	Q2 2017
Completed	Q2 2018
Business Management	Fearnley Business Management AS
Project Manager	EVR Norge AS
Web site	www.stmarieplass.no

PROJECT STATUS

Year	*31.12.2016*	*30.06.2017*	*31.12.2017*	*31.12.2018*
Sold apartments	9	21	25	27
Delivered apartments	-	-	-	27
Unsold completed apartments	-	-	-	11
Total completed apartments	-	-	-	38
Accumulated sales revenue	25 220 000	69 500 000	83 910 000	92 518 000
Accumulated project cost	28 019 000	44 492 000	81 610 000	119 420 000

COMMENT

The business plan is to build 38 apartments in Sarpsborg. Sales start was Q4 2016, as projected, and building start was Q2 2017. The project was completed Q2 2018.

Ski Skolebygg AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 199	**7,25 %**	**1 057 000**	**4,7 yrs**	**School**	**31.12.2018**

Project Broker	Business Manager	Secondhand trade
Haakon Shetelig	Håvard Urberg	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 64 44	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	24.08.2006
Currency	NOK
Initial property value	173 000 000
Initial property value per sq.m.	22 468
Net yield at establishment	6,1 %
Initial financing	
Bank loan	136 000 000
Paid in capital	36 800 000
Project price	172 800 000
Equity	
Initial paid in capital	36 800 000
Share issue 15.10.2008	2 000 000
Uncalled committed capital	-
Paid in capital per 1%	388 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	-
Accumulated dividend in % of paid in capital	0 %
Last traded per 1%	780 000
Last trade date	03.10.2017

PROPERTY INFORMATION

Location	Dynamitveien 23 & 25, Anolitveien 10-12, Ski
Segment	School
Tenant(s)	Akershus Fylkeskommune
Key figures	
Building area (sq.m.)	7 700
Plot, freehold (sq.m)	10 000
Year of construction	1
Parking	Approx. 150
Tax depreciation rate building	2 %
Weighted average unexpired lease term	4,7 years
Weighted CPI adjustment	78 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	1 504
Average rent per sq.m. 2019	1 920
Business Management	Fearnley Business Management AS
Property Management	Höegh Eiendom AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	14 787 000	15 019 000	15 254 000
Owner's costs	-399 000	-407 000	-415 000
Net rental income	14 388 000	14 612 000	14 839 000
Other rental income	-	-	-
Administration expenses	-575 000	-586 000	-598 000
Other operating expenses	-42 000	-	-
EBITDA	13 771 000	14 026 000	14 241 000
Net financial expenses	-2 477 000	-2 294 000	-2 125 000
Estimated tax payable	-138 000	-195 000	-209 000
Installments	-6 308 000	-5 595 000	-5 595 000
Investments	-2 000 000	-	-
Dividends	-	-	-
Net cash flow	2 848 000	5 942 000	6 312 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	8,7 %	10,9 %	11,3 %

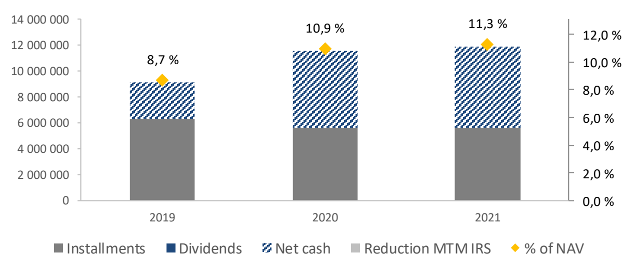
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	4 214 000	7 062 000	13 004 000	19 316 000
Property value[1]	187 882 000	187 882 000	187 882 000	187 882 000
Total assets	192 096 000	194 944 000	200 886 000	207 198 000
Short-term liabilities	532 000	485 000	451 000	417 000
Accrued Taxes	-138 000	-195 303	-208 572	-220 331
Long-term liabilities	86 040 000	79 732 000	74 137 000	68 542 000
Total Liabilities	86 434 000	80 021 697	74 379 428	68 738 669
NAV ex. MTM IRS[2]	105 662 000	114 922 303	126 506 572	138 459 331

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**7,00 %**	**7,25 %**	**7,50 %**
Property value		205 500 000	198 500 000	191 800 000
Tax discount	10 %	-11 318 000	-10 618 000	-9 948 000
NPV other rental income		-	-	-
Net debt		-82 220 000	-82 220 000	-82 220 000
NAV ex. MTM IRS		111 962 000	105 662 000	99 632 000
MTM IRS (0 %)		-	-	-
NAV		111 962 000	105 662 000	99 632 000
NAV per 1% ex. MTM IRS		1 120 000	1 057 000	996 000
NAV per 1%		1 120 000	**1 057 000**	996 000
Property value per sq.m.		26 700	25 800	24 900
LTV		44 %	46 %	47 %
LTV incl. MTM IRS		44 %	46 %	47 %
IRR since establishment ex./incl. MTM IRS		8% / 8%	8% / 8%	7% / 7%
Total return ex./incl. MTM IRS		188% / 188%	171% / 171%	154% / 154%
Est. cash flow to equity (avg. next 3 years)		9,7 %	10,3 %	10,9 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	82 500 000	2,97 %	Floating
Tranche 2	3 540 000	2,97 %	Floating
Long-term liabilities	86 040 000	2,97 %	

COMMENT

The Property is centrally located approximately 2 km from Ski. The tenant is Akershus County Municipality and the property is used as a high school.

Slotsengen Bolig AS

Expected completion	*Paid in capital per 1 %*	*Segment*	*Date of analysis*
Q1 2019	**275 000**	**Residential**	**31.12.2018**

Project Broker	**Business Manager**	**Secondhand trade**
Haakon Shetelig	Geir Åge Rønneberg	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 64 53	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	15.02.2016
Currency	NOK
Initial property value[1]	31 500 000
Initial property value per sq.m.[2]	5 385
Initial financing	
Bank loan	-
Paid in capital	27 500 000
Total invested capital	27 500 000
Equity	
Initial paid in capital	27 500 000
Paid in capital per 1%	275 000
Dividend	
Total dividend	15 000 000
Dividend per 1 %	150 000
% of paid in capital	55 %
Last traded per 1%	225 000
Last trade date	23.10.2017

Note 1: Includes obligation to build parking for the neighbouring building, estimated to MNOK 16,5.

Note 2: Per projected residential building area (sq.m.)

PROJECT STATUS

Year	*31.12.2016*	*30.06.2017*	*31.12.2017*	*31.12.2018*
Sold apartments	37	61	67	77
Delivered apartments	-	-	-	35
Unsold completed apartments	-	-	-	11
Total completed apartments	-	-	-	46

Accumulated sales revenue	197 000 000	213 320 000	217 370 000	247 350 000
Accumulated project cost	92 990 000	140 920 000	172 085 000	254 600 000

PROPERTY INFORMATION

Location	Tønsberg
Segment	Residential development
Key figures	
Average sales price per sq.m. (sold apt.)	50 000
Residential building area (sq.m.)	5 850
Number of apartments	88
Commercial building area (sq.m.)	342
Plot, freehold (sq.m)	6 503
Building period	2016 - 2019
Parking	177
Initial projections	
Sales price per sq.m.	47 800
Sales revenue	282 600 000
Project cost	249 350 000
Profit	33 250 000
Total return (before/after tax)	121% / 95%
Current timeline	
Building stages	2
Sales start	Q3 2016
Building start	Q4 2016
Expected completion	Q1 2019
Business Management	Fearnley Business Management AS
Project Manager	EVR Norge AS
Web site	www.slotsengen.no

COMMENT

The project was established during the first quarter of 2016. Sales start for the first sales stage was Q3 2016 and building start was Q4 2016. Expected completion of the project is Q1 2019.

Stavanger Property Invest AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 92	9,00 %	231 000	2,6 yrs	School	31.12.2018

Project Broker	Business Manager	Secondhand trade
Fredrik Honningsvåg	Marianne Fossum	Axel Bendvold
(+47) 22 93 64 59	(+47) 22 93 64 52	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	09.05.2007
Currency	NOK
Initial property value	247 000 000
Initial property value per sq.m.	13 950
Net yield at establishment	6,3 %
Initial financing	
Bank loan	197 600 000
Seller´s credit	12 350 000
Paid in capital	41 600 000
Project price	251 550 000
Equity	
Initial paid in capital	41 600 000
Issue of new shares in May 2017	7 200 000
Sum paid in capital	48 800 000
Paid in capital per 1%	488 000
Accumulated dividend per 1%	10 000
Accumulated dividend in % of paid in capital	2 %
Last traded per 1%	235 000
Last trade date	28.11.2018

PROPERTY INFORMATION

Location	Tanke Svilands gate 73, Stavanger
Segment	School
Tenant(s)	Rogaland Fylkeskommune
Key figures	
Building area (sq.m.)	5 490
Plot, freehold (sq.m)	5 943
Year of construction	1960 / 2007
Parking	Approx. 20
Tax depreciation rate building	2 %
Weighted average unexpired lease term	2,6 years
Weighted CPI adjustment	70 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	936
Average rent per sq.m. 2019	1 562
Business Management	Fearnley Business Management AS
Property Management	Skagen Eiendomsforvaltning AS

CASH FLOW FORECAST

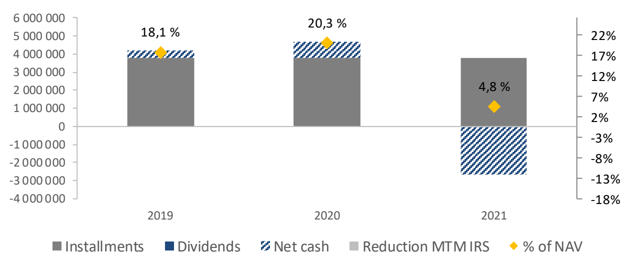
Year	*2019E*	*2020E*	*2021E*
Gross rental income	8 573 000	8 673 000	5 141 000
Owner's costs	-295 000	-301 000	-307 000
Net rental income	8 278 000	8 372 000	4 834 000
Other rental income	-	-	-
Administration expenses	-306 000	-312 000	-319 000
Other operating expenses	-500 000	-	-
EBITDA	7 472 000	8 060 000	4 515 000
Net financial expenses	-2 866 000	-2 708 000	-2 550 000
Estimated tax payable	-428 000	-665 000	-853 000
Installments	-3 750 000	-3 750 000	-3 750 000
Investments	-	-	-
Dividends	-	-	-
Net cash flow	428 000	937 000	-2 638 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	18,1 %	20,3 %	4,8 %

BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	3 100 000	3 528 000	4 465 000	1 827 000
Property value[1]	90 132 000	90 132 000	90 132 000	90 132 000
Total assets	93 232 000	93 660 000	94 597 000	91 959 000
Short-term liabilities	289 000	273 000	257 000	242 000
Accrued taxes	428 000	665 000	853 000	129 000
Long-term liabilities	69 375 000	65 625 000	61 875 000	58 125 000
Total Liabilities	70 092 000	66 563 000	62 985 000	58 496 000
NAV ex. MTM IRS[2]	23 140 000	27 097 000	31 612 000	33 463 000

Note 1: adjusted for tax discount
Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**8,75 %**	**9,00 %**	**9,25 %**
Property value		94 600 000	92 000 000	89 500 000
Tax discount	10 %	-2 128 000	-1 868 000	-1 618 000
NPV other rental income		-	-	-
Net debt		-66 992 000	-66 992 000	-66 992 000
NAV ex. MTM IRS		25 480 000	23 140 000	20 890 000
MTM IRS (0 %)		-	-	-
NAV		25 480 000	23 140 000	20 890 000
NAV per 1% ex. MTM IRS		255 000	231 000	209 000
NAV per 1%		255 000	**231 000**	209 000
Property value per sq.m.		17 200	16 800	16 300
LTV (property value)		73 %	75 %	78 %
LTV incl. Tax discount & MTM IRS		75 %	77 %	79 %
IRR since establishment ex./incl. MTM IRS		n/a	n/a	n/a
Total return ex./incl. MTM IRS		-46% / -46%	-51% / -51%	-55% / -55%
Est. cash flow to equity (avg. next 3 years)		13,1 %	14,4 %	15,9 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	69 375 000	4,00 %	Floating
Long-term liabilities	69 375 000	4,00 %	

COMMENT

Portfolio originally consisting of 5 properties. 4 properties have been sold. The remaining property, a school, is let out to Rogaland Fylkeskommune. The property is currently undergoing regulation for residential zoning.

Sørlandsparken Logistikkinvest AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 153	8,00 %	431 000	3,7 yrs	Logistics	31.12.2018

Project Broker	Business Manager	Secondhand trade
Haakon Shetelig	Regine Hjelmtvedt	Axel Bendvold
(+47) 22 93 63 38	(+47) 22 93 63 37	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	14.12.2012
Currency	NOK
Initial property value	152 100 000
Initial property value per sq.m.	9 201
Net yield at establishment	6,9 %
Initial financing	
Bank loan	112 000 000
Paid in capital	39 000 000
Project price	151 000 000
Equity	
Initial paid in capital	39 000 000
Uncalled committed capital	-
Paid in capital per 1%	390 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	199 000
Accumulated dividend in % of paid in capital	51 %
Last traded per 1%	341 666
Last trade date	12.04.2018

PROPERTY INFORMATION

Location	Buråsen 35, Kristiansand
Segment	Logistics
Tenant(s)	Rema Distribusjon Import AS
Key figures	
Building area (sq.m.)	16 530
Plot, freehold (sq.m)	30 466
Year of construction	2008
Parking	Approx. 100
Tax depreciation rate building	4 %
Weighted average unexpired lease term	3,7 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	658
Average rent per sq.m. 2019	763
Business Management	Fearnley Business Management AS
Property Management	Mosvold & Co AS

CASH FLOW FORECAST

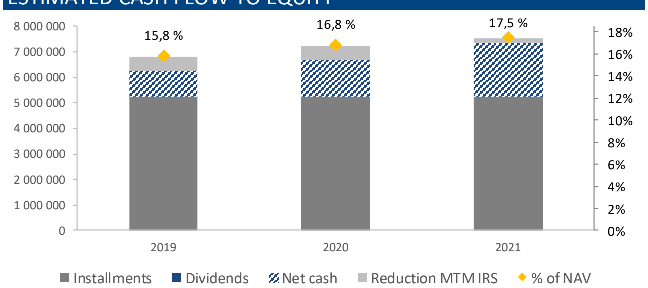
Year	*2019E*	*2020E*	*2021E*
Gross rental income	12 606 000	12 858 000	13 115 000
Owner's costs	-360 000	-367 000	-375 000
Net rental income	12 246 000	12 491 000	12 740 000
Other rental income	-	-	-
Administration expenses	-489 000	-499 000	-509 000
Other operating expenses	-	-	-
EBITDA	11 757 000	11 992 000	12 231 000
Net financial expenses	-4 362 000	-4 099 000	-3 514 000
Estimated tax payable	-1 135 000	-1 222 000	-1 348 000
Installments	-5 250 000	-5 250 000	-5 250 000
Investments	-	-	-
Dividends	-	-	-
Net cash flow	1 010 000	1 421 000	2 119 000
Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	15,8 %	16,8 %	17,5 %

BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	2 729 000	3 739 000	5 160 000	7 279 000
Property value[1]	144 505 000	144 505 000	144 505 000	144 505 000
Total assets	147 234 000	148 244 000	149 665 000	151 784 000
Short-term liabilities	917 000	863 000	809 000	629 000
Accrued taxes	1 135 000	1 222 000	1 348 000	1 547 000
Long-term liabilities	100 813 000	95 563 000	90 313 000	85 063 000
Total Liabilities	102 865 000	97 648 000	92 470 000	87 239 000
NAV ex. MTM IRS[2]	44 369 000	50 596 000	57 195 000	64 545 000

Note 1: adjusted for tax discount
Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**7,75 %**	**8,00 %**	**8,25 %**
Property value		158 000 000	153 100 000	148 400 000
Tax discount	10 %	-9 085 000	-8 595 000	-8 125 000
NPV other rental income		-	-	-
Net debt		-100 136 000	-100 136 000	-100 136 000
NAV ex. MTM IRS		48 779 000	44 369 000	40 139 000
MTM IRS (90 %)		-1 289 000	-1 289 000	-1 289 000
NAV		47 490 000	43 080 000	38 850 000
NAV per 1% ex. MTM IRS		488 000	444 000	401 000
NAV per 1%		475 000	**431 000**	389 000
Property value per sq.m.		9 600	9 300	9 000
LTV (property value)		64 %	66 %	68 %
LTV incl. Tax discount & MTM IRS		69 %	71 %	73 %
IRR since establishment ex./incl. MTM IRS		12% / 12%	11% / 10%	9% / 9%
Total return ex./incl. MTM IRS		76% / 73%	65% / 62%	54% / 51%
Est. cash flow to equity (avg. next 3 years)		15,2 %	16,7 %	18,5 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	53 063 000	3,55 %	Floating
Tranche 2	47 750 000	5,27 %	15.04.2021
Long-term liabilities	100 813 000	4,36 %	

COMMENT

The property was built in 2008 and is located in the well established retail and industrial park - Sørlandsparken. The property is let out to Rema Distribusjon Import AS on a barehouse contract.

Torp Kontorinvest AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 63	8,50 %	194 000	5,2 yrs	Office	31.12.2018

Project Broker	Business Manager	Secondhand trade
Lars Torgerson Øygard	Monica Staff	Axel Bendvold
(+47) 22 93 63 35	(+47) 22 93 64 39	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	31.12.2014
Currency	NOK
Initial property value	60 500 000
Initial property value per sq.m.	15 813
Net yield at establishment	8,0 %
Initial financing	
Bank loan	46 000 000
Paid in capital	14 370 000
Project price	60 370 000
Equity	
Initial paid in capital	14 370 000
Uncalled committed capital	5 000 000
Paid in capital per 1%	143 700
Uncalled committed capital per 1%	50 000
Accumulated dividend per 1%	56 000
Accumulated dividend in % of paid in capital	39 %
Last traded per 1%	150 000
Last trade date	14.03.2018

PROPERTY INFORMATION

Location	Nordre Kullerød 1, Sandefjord
Segment	Office
Tenant(s)	Nevion Europe AS
Key figures	
Building area (sq.m.)	3 826
Plot, freehold (sq.m)	5 000
Year of construction	2008
Parking	Approx. 120
Tax depreciation rate building	2 %
Weighted average unexpired lease term	5,2 years
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	1 275
Average rent per sq.m. 2019	1 413
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	2019E	2020E	2021E
Gross rental income	5 406 000	5 514 000	5 625 000
Owner's costs	-60 000	-62 000	-63 000
Net rental income	5 346 000	5 452 000	5 562 000
Other rental income	-	-	-
Administration expenses	-361 000	-369 000	-377 000
Other operating expenses	-28 000	-29 000	-30 000
EBITDA	4 957 000	5 054 000	5 155 000
Net financial expenses	-1 416 000	-1 342 000	-1 275 000
Estimated tax payable	-539 000	-597 000	-651 000
Installments	-1 533 000	-1 533 000	-1 533 000
Investments	-	-	-
Dividends	-1 800 000	-1 600 000	-1 700 000
Net cash flow	-331 000	-18 000	-4 000
Dividend yield (basis NAV)	9,3 %	8,2 %	8,7 %
Est. cash flow to equity (basis NAV)	15,4 %	16,0 %	16,6 %

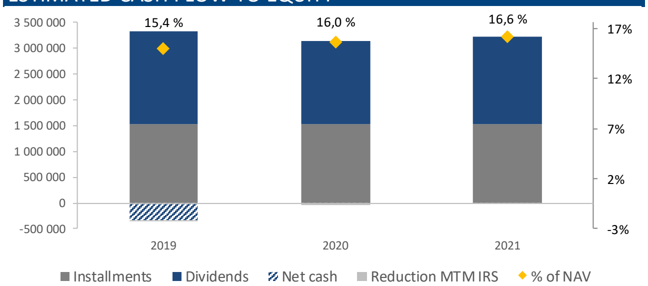
BALANCE SHEET FORECAST

Year	2018A	2019E	2020E	2021E
Current assets	892 000	561 000	543 000	539 000
Property value[1]	59 615 000	59 615 000	59 615 000	59 615 000
Total assets	60 507 000	60 176 000	60 158 000	60 154 000
Short-term liabilities	295 000	287 000	266 000	254 000
Accrued taxes	539 000	597 000	651 000	703 000
Long-term liabilities	40 250 000	38 717 000	37 184 000	35 651 000
Total Liabilities	41 084 000	39 601 000	38 101 000	36 608 000
NAV ex. MTM IRS[2]	19 423 000	20 575 000	22 057 000	23 546 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		8,25 %	8,50 %	8,75 %
Property value		64 800 000	62 900 000	61 100 000
Tax discount	10 %	-3 475 000	-3 285 000	-3 105 000
NPV other rental income		-	-	-
Net debt		-40 192 000	-40 192 000	-40 192 000
NAV ex. MTM IRS		21 133 000	19 423 000	17 803 000
MTM IRS (77 %)		12 000	12 000	12 000
NAV		21 145 000	19 435 000	17 815 000
NAV per 1% ex. MTM IRS		211 000	194 000	178 000
NAV per 1%		211 000	**194 000**	178 000
Property value per sq.m.		16 900	16 400	16 000
LTV (property value)		62 %	64 %	66 %
LTV incl. Tax discount & MTM IRS		66 %	67 %	69 %
IRR since establishment ex./incl. MTM IRS		19% / 19%	17% / 17%	15% / 15%
Total return ex./incl. MTM IRS		86% / 86%	74% / 74%	63% / 63%
Est. cash flow to equity (avg. next 3 years)		14,7 %	16,0 %	17,5 %

DEBT STRUCTURE AT 31.12.2018

	Balance	Interest rate	IRS maturity
Tranche 1	20 125 000	3,32 %	Floating
Tranche 2	11 500 000	3,56 %	15.01.2020
Tranche 3	8 625 000	3,92 %	15.01.2025
Long-term liabilities	40 250 000	3,52 %	

COMMENT

The property is centrally located in Nordre Kullerød, a popular business/industrial park close to Torp airport in Sandefjord. The propery was built in 2008 and is let to Nevion Europe AS on a barehouse contract.

Tungasletta Invest AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 205	6,00 %	723 000	6,3 yrs	Retail	31.12.2018

Project Broker	Business Manager	Secondhand trade
Fredrik Honningsvåg	Regine Hjelmtvedt	Axel Bendvold
(+47) 22 93 64 59	(+47) 22 93 63 37	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	07.04.2017
Currency	NOK
Initial property value	185 100 000
Initial property value per sq.m.	22 248
Net yield at establishment	6,4 %
Initial financing	
Bank loan	133 750 000
Paid in capital	54 200 000
Project price	187 950 000
Equity	
Initial paid in capital	54 200 000
Uncalled committed capital	-
Paid in capital per 1%	542 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	40 000
Accumulated dividend in % of paid in capital	7 %
Last traded per 1%	590 000
Last trade date	21.12.2017

PROPERTY INFORMATION

Location	Tungasletta 8, Trondheim
Segment	Retail
Tenant(s)	Kverneland Bil AS, Tikkurila Norge AS (beckers), et al
Key figures	
Building area (sq.m.)	8 320
Plot, freehold (sq.m)	16 628
Year of construction	2011
Parking	Approx. 275
Tax depreciation rate building	4 %
Weighted average unexpired lease term	6,3 years
Weighted CPI adjustment	100 %
Occupancy rate	97 %
Average rent per sq.m. at establishment	1 498
Average rent per sq.m. 2019	1 510
Business Management	Fearnley Business Management AS
Property Management	Trondheim Næringseiendom AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	12 935 000	13 194 000	13 458 000
Owner's costs	-628 000	-641 000	-653 000
Net rental income	12 307 000	12 553 000	12 805 000
Other rental income	-365 135	-126 000	-
Administration expenses	-505 000	-515 000	-525 000
Other operating expenses	-	-	-
EBITDA	11 436 865	11 912 000	12 280 000
Net financial expenses	-4 136 000	-4 060 000	-3 954 000
Estimated tax payable	-534 000	-856 000	-1 034 000
Installments	-5 652 000	-5 326 000	-5 000 000
Investments	-	-	-
Dividends	-1 600 000	-1 600 000	-2 300 000
Net cash flow	-485 135	70 000	-8 000
Dividend yield (basis NAV)	2,2 %	2,2 %	3,2 %
Est. cash flow to equity (basis NAV)	9,3 %	9,6 %	10,0 %

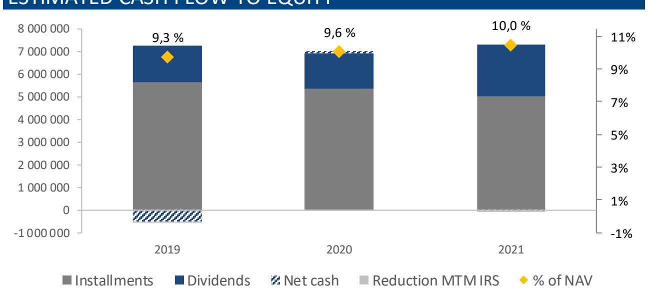
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	2 488 000	2 003 000	2 073 000	2 065 000
Property value[1]	196 247 000	196 247 000	196 247 000	196 247 000
Total assets	198 735 000	198 250 000	198 320 000	198 312 000
Short-term liabilities	547 000	182 000	55 000	53 000
Accrued taxes	534 000	856 000	1 034 000	1 190 000
Long-term liabilities	125 272 000	119 620 000	114 294 000	109 294 000
Total Liabilities	126 353 000	120 658 000	115 383 000	110 537 000
NAV ex. MTM IRS[2]	72 382 000	77 592 000	82 937 000	87 775 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**5,75 %**	**6,00 %**	**6,25 %**
Property value		214 000 000	205 100 000	196 900 000
Tax discount	10 %	-9 743 000	-8 853 000	-8 033 000
NPV other rental income		-247 000	-247 000	-247 000
Net debt		-123 865 000	-123 865 000	-123 865 000
NAV ex. MTM IRS		80 145 000	72 135 000	64 755 000
MTM IRS (77 %)		169 000	169 000	169 000
NAV		80 314 000	72 304 000	64 924 000
NAV per 1% ex. MTM IRS		801 000	721 000	648 000
NAV per 1%		803 000	**723 000**	649 000
Property value per sq.m.		25 700	24 700	23 700
LTV (property value)		59 %	61 %	64 %
LTV incl. Tax discount & MTM IRS		61 %	64 %	66 %
IRR since establishment ex./incl. MTM IRS		29% / 30%	22% / 22%	15% / 15%
Total return ex./incl. MTM IRS		55% / 56%	40% / 41%	27% / 27%
Est. cash flow to equity (avg. next 3 years)		8,7 %	9,6 %	10,7 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	6 522 000	2,90 %	Floating
Tranche 2	65 000 000	3,56 %	29.09.2022
Tranche 3	53 750 000	2,74 %	Floating
Long-term liabilities	125 272 000	3,17 %	

COMMENT

The property is centrally located at Tungasletta in Trondheim, with good exposure to E6. The area is characterized by car related businesses, big box retail, offices etc.

Vestby Lagereiendom AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 30	7,20 %	77 000	0 yrs	Logistics	31.12.2018

Project Broker	Business Manager	Secondhand trade
Lars Torgerson Øygard	Håvard Urberg	Axel Bendvold
(+47) 22 93 63 35	(+47) 22 93 64 44	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	26.06.2007
Currency	NOK
Initial property value	41 000 000
Initial property value per sq.m.	8 471
Net yield at establishment	7,3 %
Initial financing	
Bank loan	33 500 000
Paid in capital	5 506 000
Project price	39 006 000
Equity	
Initial paid in capital	5 506 000
Uncalled committed capital	4 000 000
Paid in capital per 1%	55 060
Uncalled committed capital per 1%	40 000
Accumulated dividend per 1%	-
Accumulated dividend in % of paid in capital	0 %
Last traded per 1%	90 000
Last trade date	04.02.2019

PROPERTY INFORMATION

Location	Verpetveien 2, Vestby
Segment	Logistics
Tenant(s)	n/a
Key figures	
Building area (sq.m.)	4 840
Plot, freehold (sq.m)	11 102
Year of construction	2003
Parking	Approx. 20
Tax depreciation rate building	4 %
Weighted average unexpired lease term	0 years
Weighted CPI adjustment	0 %
Occupancy rate	0 %
Average rent per sq.m. at establishment	620
Average rent per sq.m. 2019	-
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	-		
Owner's costs	-281 000		
Net rental income	-281 000		
Other rental income	-		
Administration expenses	-412 000		
Other operating expenses	-366 000		
EBITDA	-1 059 000		
Net financial expenses	-839 000		
Estimated tax payable	-326 000		
Installments	-1 876 000		
Investments	-		
Share issue	3 000 000		
Net cash flow	-1 100 000		
Dividend yield (basis NAV)	0,0 %		
Est. cash flow to equity (basis NAV)	0,0 %		

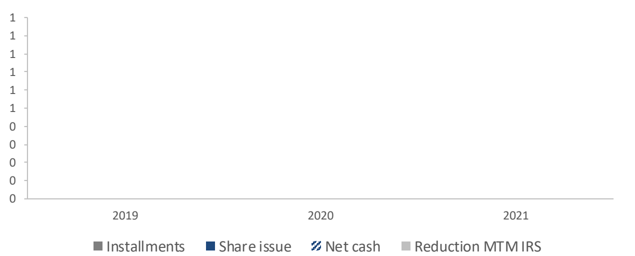
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	1 135 000	35 000		
Property value[1]	28 385 000	28 385 000		
Total assets	29 520 000	28 420 000		
Short-term liabilities	541 000	173 000		
Accrued Taxes	326 000	-		
Long-term liabilities	20 960 000	19 084 000		
Total Liabilities	21 827 000	19 257 000		
NAV ex. MTM IRS[2]	7 693 000	9 163 000		

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield				
Property value		32 500 000	30 000 000	27 500 000
Tax discount	10 %	-1 865 000	-1 615 000	-1 365 000
NPV other rental income		-	-	-
Net debt		-20 692 000	-20 692 000	-20 692 000
NAV ex. MTM IRS		9 943 000	7 693 000	5 443 000
MTM IRS (0 %)		-	-	-
NAV		9 943 000	7 693 000	5 443 000
NAV per 1% ex. MTM IRS		99 000	77 000	54 000
NAV per 1%		99 000	**77 000**	54 000
Property value per sq.m.		6 700	6 200	5 700
LTV		68 %	74 %	80 %
LTV incl. MTM IRS		68 %	74 %	80 %
IRR since establishment ex./incl. MTM IRS		5% / 5%	3% / 3%	0% / 0%
Total return ex./incl. MTM IRS		80% / 80%	40% / 40%	-2% / -2%
Est. cash flow to equity (avg. next 3 years)		0,0 %	0,0 %	0,0 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	4 610 000	3,72 %	Floating
Tranche 2	16 350 000	3,72 %	Floating
Long-term liabilities	20 960 000	3,72 %	

COMMENT

The property is located at Vestby, in Verpet industrial area, close to E6, Bauhaus and Norwegian Outlet. During the last ten years the area has transformed from being an industrial area to being a more retailed focused area.

Vestfold Logistikkinvest AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 150	5,70 %	461 000	13,6 yrs	Logistics	31.12.2018

Project Broker	Business Manager	Secondhand trade
Fredrik Honningsvåg	Håvard Urberg	Axel Bendvold
(+47) 22 93 64 59	(+47) 22 93 64 44	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	14.12.2018
Currency	NOK
Initial property value	150 000 000
Initial property value per sq.m.	12 557
Net yield at establishment	5,7 %
Initial financing	
Bank loan	97 500 000
Deferred facilitation fee	-
Paid in capital	50 500 000
Project price	148 000 000
Equity	
Initial paid in capital	50 500 000
Uncalled committed capital	-
Paid in capital per 1%	505 000
Uncalled committed capital per 1%	-
Accumulated dividend per 1%	-
Accumulated dividend in % of paid in capital	0 %
Last traded per 1%	-
Last trade date	-

PROPERTY INFORMATION

Location	Borgeskogen 73, Sandefjord
Segment	Logistics
Tenant(s)	Løvenskiold Handel AS
Key figures	
Building area (sq.m.)	11 946
Plot, freehold (sq.m)	21 400
Year of construction	2019
Parking	Approx. 22
Tax depreciation rate building	4 %
Weighted average unexpired lease term	13,6 yrs
Weighted CPI adjustment	100 %
Occupancy rate	100 %
Average rent per sq.m. at establishment	714
Average rent per sq.m. 2019	714
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	8 534 000	8 705 000	8 879 000
Owner's costs	-	-	-
Net rental income	8 534 000	8 705 000	8 879 000
Less rent free period	-5 168 000	-	-
Administration expenses	-380 000	-388 000	-395 000
Other operating expenses	-250 000	-	-
EBITDA	2 736 000	8 317 000	8 484 000
Net financial expenses	-2 300 000	-3 345 000	-3 319 000
Estimated tax payable	-	-	-
Installments	-3 019 000	-2 000 000	-2 000 000
Investments	-	-	-
Dividends	-2 400 000	-2 200 000	-3 100 000
Net cash flow	-4 983 000	772 000	65 000
Dividend yield (basis NAV)	5,2 %	4,8 %	6,7 %
Est. cash flow to equity (basis NAV)	0,9 %	10,8 %	11,2 %

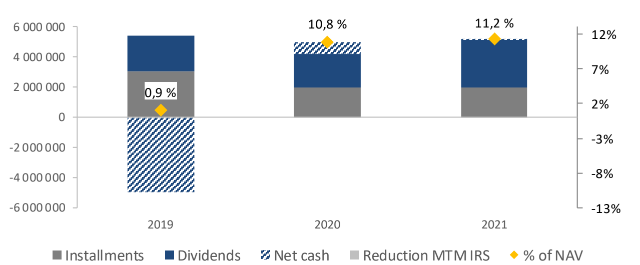
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	5 516 000	533 000	1 305 000	1 370 000
Property value[1]	144 862 000	144 862 000	144 862 000	144 862 000
Total assets	150 378 000	145 395 000	146 167 000	146 232 000
Short-term liabilities	4 281 040	551 000	547 000	543 000
Accrued Taxes	-	-	-	-
Long-term liabilities	100 019 000	97 000 000	95 000 000	93 000 000
Total Liabilities	104 300 040	97 551 000	95 547 000	93 543 000
NAV ex. MTM IRS[2]	46 077 960	47 844 000	50 620 000	52 689 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		5,60 %	5,70 %	5,80 %
Property value		152 400 000	150 000 000	147 200 000
Tax discount	10 %	-5 378 000	-5 138 000	-4 858 000
NPV other rental income		-	-	-
Net debt		-98 784 040	-98 784 040	-98 784 040
NAV ex. MTM IRS		48 237 960	46 077 960	43 557 960
MTM IRS (0 %)		-	-	-
NAV		48 237 960	46 077 960	43 557 960
NAV per 1% ex. MTM IRS		482 000	461 000	436 000
NAV per 1%		482 000	**461 000**	436 000
Property value per sq.m.		12 800	12 600	12 300
LTV (property value)		66 %	67 %	68 %
LTV incl. MTM IRS		68 %	69 %	70 %
IRR since establishment ex./incl. MTM IRS		n/a	n/a	n/a
Total return ex./incl. MTM IRS		n/a	n/a	n/a
Est. cash flow to equity (avg. next 3 years)		7,3 %	7,6 %	8,1 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	82 219 000	2,66 %	Floating
Tranche 2	17 800 000	2,66 %	Floating
Long-term liabilities	100 019 000	2,66 %	

COMMENT

New regional warehouse and logistics center for Maxbo's outlets in the region. Under construction, to be completed by August 2019.

Østfoldbygg Invest AS

Property value	Yield	NAV per 1%	WAULT	Segment	Date of analysis
MNOK 96	9,00 %	371 000	4,1 yrs	Combined	31.12.2018

Project Broker	Business Manager	Secondhand trade
Cato Hauge	Håvard Urberg	Axel Bendvold
(+47) 22 93 63 48	(+47) 22 93 64 44	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	08.05.2015
Currency	NOK
Initial property value	88 900 000
Initial property value per sq.m.	5 086
Net yield at establishment	8,1 %
Initial financing	
Bank loan	60 000 000
Seller´s credit	5 000 000
Deferred facilitation fee	1 780 000
Paid in capital	19 300 000
Project price	86 080 000
Equity	
Initial paid in capital	19 300 000
Uncalled committed capital	-
Paid in capital per 1%	193 000
Accumulated dividend per 1%	15 000
Accumulated dividend in % of paid in capital	8 %
Last traded per 1%	225 000
Last trade date	15.01.2018

PROPERTY INFORMATION

Location	Vestengveien 40 / Iseveien 2, Sarpsborg
Segment	Combined purposes
Tenant(s)	Europris Butikkdrift AS, Sarpsborg Kommune et al.
Key figures	
Building area (sq.m.)	17 480
Plot, freehold (sq.m)	13 690
Plot, leasehold (sq.m)	33 234
Year of construction	1950 / 1960 / 1970 / 1990 / 2000 / 2007
Parking	n/a
Tax depreciation rate building	2-4 %
Weighted average unexpired lease term	4,1 years
Weighted CPI adjustment	100 %
Occupancy rate	91 %
Average rent per sq.m. at establishment	481
Average rent per sq.m. 2019	552
Business Management	Fearnley Business Management AS
Property Management	Property Management Norge AS

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Gross rental income	9 655 000	10 357 000	10 356 000
Owner's costs	-1 037 000	-758 000	-773 000
Net rental income	8 618 000	9 599 000	9 583 000
Less market rent free space	-355 000	-	-
Administration expenses	-968 000	-679 000	-693 000
Other operating expenses[1]	-450 000	-	-
EBITDA	6 845 000	8 920 000	8 890 000
Net financial expenses	-1 596 000	-1 461 000	-1 337 000
Estimated tax payable	-777 000	-829 000	-1 336 000
Installments	-4 400 000	-3 400 000	-2 400 000
Investments	-500 000	-	-
Dividends	-	-	-
Net cash flow	-428 000	3 230 000	3 817 000

Note 1: Extraordinary maintenance expenses.

Dividend yield (basis NAV)	0,0 %	0,0 %	0,0 %
Est. cash flow to equity (basis NAV)	10,7 %	17,9 %	16,8 %

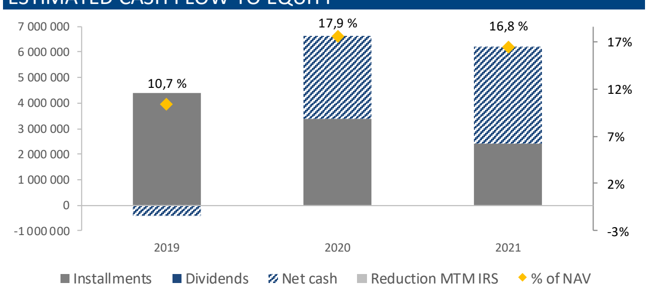
BALANCE SHEET FORECAST

Year	*2018A*	*2019E*	*2020E*	*2021E*
Current assets	1 558 000	1 130 000	4 360 000	8 177 000
Property value[1]	89 628 000	89 628 000	89 628 000	89 628 000
Total assets	91 186 000	90 758 000	93 988 000	97 805 000
Short-term liabilities	237 000	210 000	100 000	95 000
Accrued taxes	777 000	829 000	1 336 000	1 376 000
Long-term liabilities	53 099 000	48 699 000	45 299 000	42 899 000
Total Liabilities	54 113 000	49 738 000	46 735 000	44 370 000
NAV ex. MTM IRS[2]	37 073 000	41 020 000	47 253 000	53 435 000

Note 1: adjusted for tax discount

Note 2: after forecasted dividend payouts

ESTIMATED CASH FLOW TO EQUITY



ESTIMATED VALUE AT 31.12.2018

Net Yield		**8,75 %**	**9,00 %**	**9,25 %**
Property value		98 500 000	95 800 000	93 200 000
Tax discount	10 %	-6 442 000	-6 172 000	-5 912 000
NPV other rental income		-	-	-
Net debt		-52 555 000	-52 555 000	-52 555 000
NAV ex. MTM IRS		39 503 000	37 073 000	34 733 000
MTM IRS (0 %)		-	-	-
NAV		39 503 000	37 073 000	34 733 000
NAV per 1% ex. MTM IRS		395 000	371 000	347 000
NAV per 1%		395 000	**371 000**	347 000
Property value per sq.m.		5 600	5 500	5 300
LTV (property value)		54 %	55 %	57 %
LTV incl. Tax discount & MTM IRS		58 %	59 %	61 %
IRR since establishment ex./incl. MTM IRS		23% / 23%	21% / 21%	19% / 19%
Total return ex./incl. MTM IRS		112% / 112%	100% / 100%	88% / 88%
Est. cash flow to equity (avg. next 3 years)		14,2 %	15,1 %	16,1 %

DEBT STRUCTURE AT 31.12.2018

	Balance	*Interest rate*	*IRS maturity*
Tranche 1	50 099 000	2,95 %	Floating
Seller´s credit	3 000 000	5,00 %	Fixed
Long-term liabilities	53 099 000	3,07 %	

COMMENT

The project consists of one retail property and one property for combined purposes. Both properties are located in Sarpsborg.

Fearnley Project Finance

SHIPPING & OFFSHORE

About | Fearnley Project Finance Shipping & Offshore

Fearnley Project Finance, established 1981, is the first project broker in the Norwegian market. Increased demand for direct investments amongst investors coupled with limited access to capital for ship owners were key drivers for the setup. Close to 40 years later, these elements are still essential in the service offering.

The right solution for an investment project is to balance the risk and reward for the investor with a competitive cost of capital and structure for the ship owner. Solutions range from sale-leasebacks, to private lending, to pure equity investments or a combination of these. For the ship owner, this means a tailor-made financial product with up to 100% financing. The investors on the other hand have an asset-backed investment with a balanced risk and reward.

Fearnley Project Finance has a large base of experienced investors located in Norway and abroad. A project can consist of very limited number of investors and up to 20-30 investors.

The shipping and offshore team consists of 9 people with long and wide experience in shipping, offshore and financing. The prevailing portfolio has 24 projects consisting of 30 vessels and a project value of approx. USD 404 million. The 30 vessels vary from commodity based shipping such as dry bulk and tank, to offshore and more industrial segments.

Fearnley Project Finance has, since 1998, established and concluded projects containing 166 vessels with an average duration of 5 years and a money multiple of 1.9x.

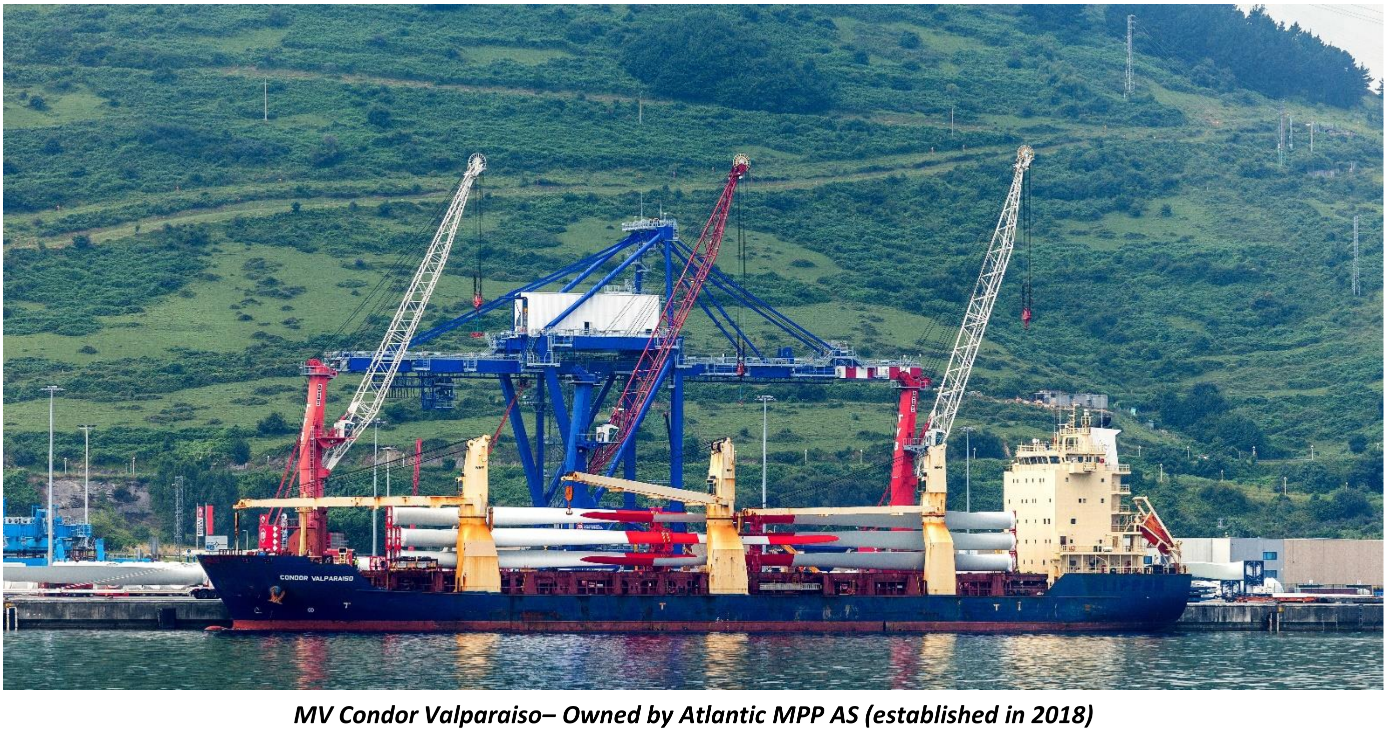
Tailor made services

Sale & Leaseback
- Traditional syndication
- Institutional investors
- Asian leasing

Equity / JV
- Asset plays
- Joint ventures
- Club deals

Debt Structures
- Private loan structures
- Private bonds

Advisory
- Mergers & Acquisitions
- Restructuring
- Initial listing

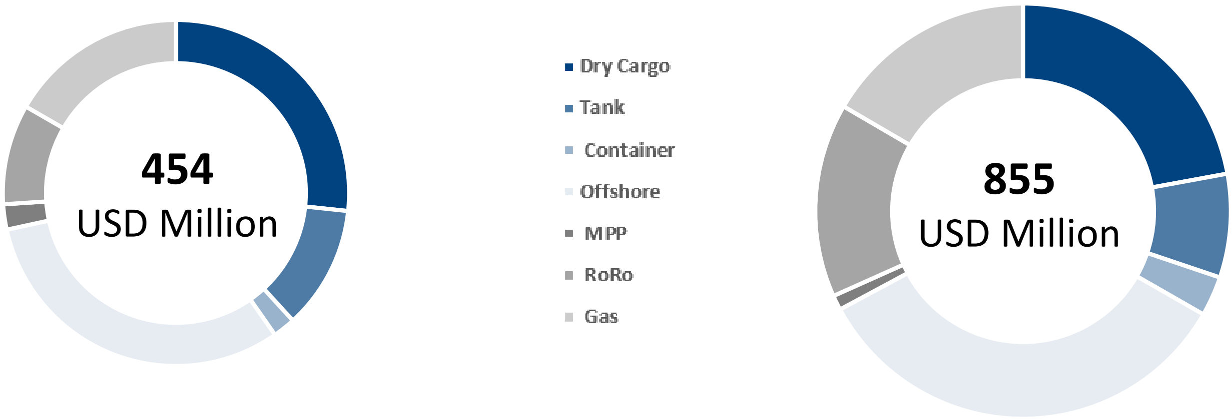


MV Condor Valparaiso– Owned by Atlantic MPP AS (established in 2018)

A yield project with a 5 year bareboat contract and sub-ordinated equity

Concluded Projects

Paid-in Equity | ***Accumulated dividends***



Money multiple
1.9x

Average duration
5 years

w.avg. IRR
16 % p.a.
Since 1998

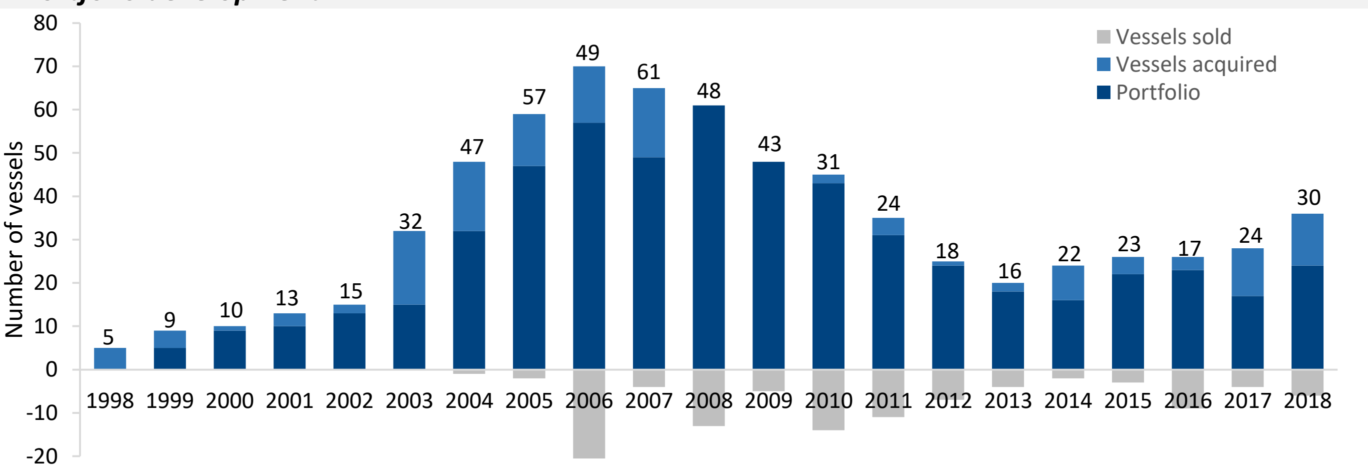
No. of vessels
106
Since 1998

No. of projects
66
Since 1998

Concluded projects by year

Year concluded	# Projects	Avg. Duration	Paid-in equity (USD)	Accumulated dividends (USD)	Weigted avg. IRR p.a. (project currency)	Money Multiple
2018	5	4 years	48,248,659	55,818,007	18 %	1.16
2017	3	5 years	27,184,176	4,296,488	-45 %	0.16
2016	7	3 years	30,091,807	24,046,757	-13 %	0.80
2015	4	6 years	17,961,679	34,079,177	13 %	1.90
2014	2	5 years	3,810,000	10,105,000	24 %	2.65
2013	2	5 years	7,590,068	14,982,257	19 %	1.97
2012	6	10 years	35,147,344	87,529,679	21 %	2.49
2011	5	9 years	86,662,977	172,323,381	16 %	1.99
2010	7	5 years	61,866,953	74,614,372	-14 %	1.21
2009	4	4 years	23,664,397	13,085,689	-61 %	0.55
2008	6	3 years	26,296,304	101,096,439	31 %	3.84
2007	4	4 years	10,818,564	58,060,443	108 %	5.37
2006	9	3 years	63,510,025	170,302,574	75 %	2.68
2005	2	3 years	10,905,533	34,943,882	91 %	3.20
Total/average	**66**	**5 years**	**453,758,485**	**855,284,146**	**16 %**	**1.88**

Portfolio development



Concluded Projects

CONCLUDED PROJECTS								
Project	**Segment**	**Employment**	**Established**	**Concluded**	**Paid-in equity (USD)**	**Acc. dividends (USD)**	**IRR p.a.**	**Multiple**
Artic Combiship DIS	Dry Cargo	BB	04.06.2012	01.05.2016	4 862 101	5 970 025	16 %	1.23
Artic Express 1 DIS	Dry Cargo	BB	03.05.2007	15.12.2013	5 090 068	11 939 607	17 %	2.35
Artic Fjord DIS	Dry Cargo	BB	15.03.2014	01.05.2016	4 567 626	5 290 830	30 %	1.16
Artic Lady DIS	Dry Cargo	BB	29.11.2013	01.05.2016	4 531 551	5 891 463	29 %	1.30
Atlantic Kamsarmax DIS	Dry Cargo	NB	01.05.2017	19.12.2018	7 045 000	7 924 500	10 %	1.12
Atlantic Minibulk DIS	Dry Cargo	BB	01.11.2006	01.03.2010	3 114 374	2 936 942	-10 %	0.94
Atlantic Panamax 1 DIS	Dry Cargo	BB	01.06.2015	22.08.2016	5 016 000	1 355 000	-53 %	0.27
Atlantic Panamax 2 DIS	Dry Cargo	BB	01.06.2015	22.05.2017	5 320 000	240 000	-99 %	0.05
Atlantic RTI DIS	Dry Cargo	BB	01.11.2007	01.12.2008	3 260 000	800 000	-87 %	0.25
Atlantic Sofrana DIS	Dry Cargo	BB	03.07.2007	31.12.2016	1 734 000	2 353 131	10 %	1.36
Atlantic Supramax DIS	Dry Cargo	TC/Pool	20.10.2016	05.07.2018	8 300 000	12 100 000	25 %	1.46
Atlantic Trader DIS	MPP	BB	03.06.2006	08.10.2014	1 810 000	7 230 000	30 %	3.99
Bergshav Cape KS	Dry Cargo	BB	01.11.2002	01.10.2009	3 000 000	7 435 786	22 %	2.48
Bergshav Car Carrier KS	RoRo	BB	01.06.1998	31.07.2012	3 852 756	20 234 552	22 %	5.25
Bergshav Container Ships KS	Container	BB	01.06.1999	01.05.2011	9 567 964	26 563 768	29 %	2.78
Cedar Car Carrier DIS	RoRo	BB	01.07.2014	31.12.2016	9 050 000	2 311 417	-61 %	0.26
Chemtrans KS	Tank	BB	01.06.2001	01.12.2006	1 476 244	10 939 503	66 %	7.41
DIS Dyviships XII	RoRo	TC/Pool	03.02.2000	15.12.2012	3 245 943	16 650 000	31 %	5.13
Dyvi Cable Ship DIS	Offshore	BB	03.02.2006	31.12.2015	4 406 000	22 000 028	25 %	4.99
Eastern Car Carrier II KS	RoRo	BB	01.02.1998	01.03.2010	3 129 139	17 437 354	24 %	5.57
Eastern Car Carrier KS	RoRo	BB	01.03.1998	01.08.2011	3 129 139	15 650 000	19 %	5.00
Edda Gas KS	Gas	Spot	01.03.2005	01.08.2011	55 150 000	71 304 235	6 %	1.29
Edda King KS	Offshore	BB	01.04.2004	01.03.2008	4 335 000	20 268 960	46 %	4.68
Eide Carrier AS	Offshore	BB	01.05.2014	07.10.2015	5 302 048	4 443 354	11 %	0.84
Eidsiva Car Carrier KS	RoRo	TC/Pool	01.02.2003	01.03.2007	2 141 600	8 950 000	41 %	4.18
Eidsiva RoRo KS	RoRo	TC/Pool	01.08.2003	01.08.2010	4 888 164	315 657	-19 %	0.06
Finland RoRo KS	RoRo	TC/Pool	01.10.2003	01.08.2011	8 565 747	21 964 835	35 %	2.56
Havila Fortress KS	Offshore	Spot	01.03.2005	01.01.2006	8 578 470	12 698 285	71 %	1.48
Havila Fortune KS	Offshore	Spot	01.09.2005	01.07.2006	4 127 620	11 270 568	181 %	2.73
Havila Neptun KS	Offshore	Spot	01.03.2006	01.10.2007	4 465 364	29 129 945	215 %	6.52
Havila Saturn KS	Offshore	Spot	01.12.2005	01.02.2011	10 250 127	36 840 543	39 %	3.59
Norwegian Car Carrier KS	RoRo	BB	01.08.1998	01.01.2007	1 561 600	15 180 000	34 %	9.72
Ocean Carrier KS	Offshore	Spot	01.02.2005	01.08.2006	7 580 034	16 177 858	55 %	2.13
Ocean Commander KS	Offshore	BB	01.12.2004	01.12.2010	6 872 454	30 320 810	38 %	4.41
Ocean Lanhoy KS	Offshore	Spot	04.09.2006	01.10.2017	17 389 176	3 866 488	-15 %	0.22
Ocean Mainport KS	Offshore	Spot	15.05.2006	01.10.2012	3 384 071	8 295 372	104 %	2.45
Ocean Ness DIS	Offshore	BB	03.08.2011	25.06.2015	5 211 435	6 976 426	20 %	1.34
Ocean Rescue KS	Offshore	Spot	03.10.2006	10.02.2015	3 042 195	659 370	-15 %	0.22
Ocean Scotsman KS	Offshore	Spot	01.01.2007	01.11.2009	4 000 960	4 791 619	8 %	1.20
Oro Combiship DIS	Dry Cargo	BB	01.03.2015	01.05.2016	330 529	874 891	164 %	2.65
Owner Bulk DIS	Dry Cargo	BB	03.09.2011	01.02.2014	2 000 000	2 875 000	19 %	1.44
Panamax Invest AS	Dry Cargo	Spot	12.04.2017	19.03.2018	2 503 659	4 100 000	51 %	1.64
President Bulker DIS	Dry Cargo	BB	02.12.2010	14.10.2013	2 500 000	3 042 650	22 %	1.22
Ross Bulk II KS	Dry Cargo	BB	01.05.2003	01.02.2006	4 820 000	11 000 000	59 %	2.28
Ross Bulk III KS	Dry Cargo	TC/Pool	01.03.2004	01.03.2005	4 000 000	13 026 791	196 %	3.26
Ross Bulk IS	Dry Cargo	BB	15.09.2002	01.11.2012	7 211 718	26 254 007	71 %	3.64
Ross Bulk IV DIS	Dry Cargo	BB	01.10.2007	01.03.2010	9 243 400	6 050 000	-19 %	0.65
Ross Chemical DIS	Tank	BB	27.03.2006	01.11.2009	9 084 100	858 284	-86 %	0.09
Ross Chiaro DIS	Tank	BB	01.11.2007	01.10.2009	7 579 337	-	-100 %	-
Ross Cochin DIS	Dry Cargo	BB	01.11.2007	01.03.2010	18 431 000	10 780 918	-30 %	0.58
Ross Liner KS	MPP	TC/Pool	15.12.2003	01.02.2012	8 907 332	2 631 898	-41 %	0.30
Ross Reefer KS	Dry Cargo	BB	01.12.2003	01.03.2006	5 080 237	7 545 661	20 %	1.49
Ross Tank KS	Tank	BB	01.06.2004	01.08.2006	8 382 000	19 561 219	59 %	2.33
Sam Purpose DIS	Tank	BB	01.07.2016	06.04.2017	4 475 000	190 000	-96 %	0.04
Seacor Supplyships 1 KS	Offshore	Spot	03.04.2007	19.12.2018	19 700 000	31 655 335	37 %	1.61
Sigloo Gas KS	Gas	Spot	01.03.2004	01.01.2006	20 530 000	70 546 808	96 %	3.44
South Pacific II KS	Dry Cargo	BB	01.03.2005	01.11.2007	2 650 000	4 800 498	27 %	1.81
South Pacific KS	Dry Cargo	BB	01.02.2004	01.04.2008	4 290 000	31 657 429	66 %	7.38
Stavanger Bay KS	Tank	TC/Pool	15.06.2003	01.07.2012	8 545 525	13 463 849	6 %	1.58
Stavanger Breeze KS	Tank	TC/Pool	01.12.1999	01.05.2005	6 905 533	21 917 091	30 %	3.17
Stavanger Car Carrier KS	RoRo	BB	01.10.1998	01.12.2006	2 935 421	10 562 671	22 %	3.60
Tradebulk DIS	Dry Cargo	BB	01.05.2007	01.03.2008	2 100 000	2 860 000	42 %	1.36
Trym Titan KS	Offshore	Spot	01.05.2005	01.04.2008	6 430 369	43 405 050	95 %	6.75
Vega PSV 1 DIS	Offshore	NB	01.11.2014	21.12.2018	10 700 000	38 172	-24 %	0.00
Viking Troll DIS	Offshore	Spot	01.07.2007	01.08.2010	16 188 422	6 772 691	-21 %	0.42
Zarepta Chemical KS	Tank	BB	01.05.2004	01.12.2008	5 880 935	2 105 000	-14 %	0.36
Sum/weighted average					**453 758 485**	**855 284 146**	**16 %**	**1.88**

Money multiple
1.9x

Average duration
5 years

w.avg. IRR
16 % p.a.
Since 1998

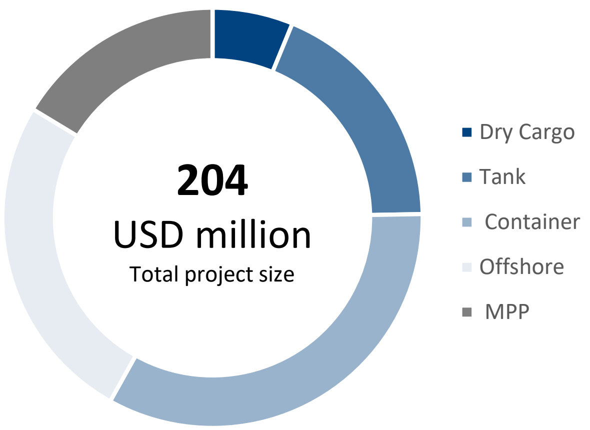
No. of vessels
106
Since 1998

No. of projects
66
Since 1998

Activity in 2018

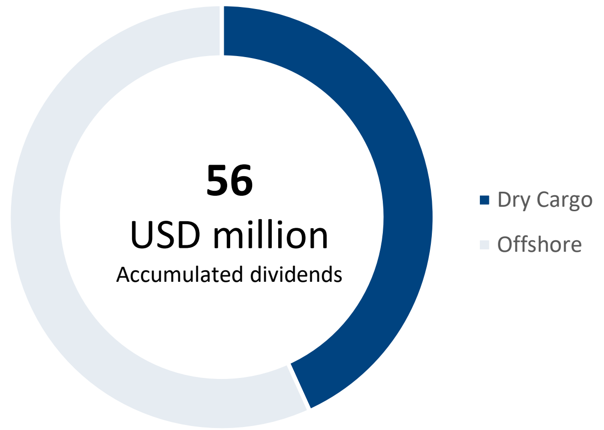
Fearnley Project Finance Shipping & Offshore established in total 13 new projects with total value of USD 204 million. Of these, 10 will be managed under Fearnley Business Management ("FBM"). The remaining 3 consist of a bilateral loan, an M&A transaction and a S&P transaction. 2018, as for 2017, was dominated by asset play projects. However, in 2018 we established 4 projects with contract coverage of 3 years or more. In addition, 5 projects (6 vessels) were sold out of our portfolio. These projects generated w.avg. return on equity of ~18 % p.a.

Established projects 2018



Paid-in equity *Incl. investor loans*	**USD 160m**

Sold projects 2018



Return on equity *w.avg. IRR p.a.*	**18 % pa.**

3,500 teu container vessel in a private deal arranged and managed by Fearnley Project Finance. Established in 2018

Activity in 2018

Selection of projects established in 2018

Atlantica Bay AS

Project price (USD)	15,100,000
Paid-in equity (USD)	8,100,000
Segment	Product tanker
Investment type	Asset play
Managing Owner	Atlantica

Njord Julie AS

Project price (USD)	12,690,000
Paid-in equity (USD)	7,040,000
Segment	Dry bulk
Investment type	Asset play
Managing Owner	Njord Shipping

Rem Offshore II AS

Project price (USD)	17,240,000
Paid-in equity (USD)	9,240,000
Segment	Offshore
Investment type	Yield (3y TC)
Managing Owner	Rem Offshore

Atlantic MPP AS

Project price (USD)	21,100,000
Paid-in equity (USD)	5,935,000
Segment	MPP
Investment type	Yield (5y BB)
Managing Owner	Atlantica

Ross Wisconsin AS

Project price (USD)	5,130,000
Paid-in equity (USD)	5,130,000
Segment	MPP
Investment type	Yield (5y BB)
Managing Owner	Lorentzens Skibs

EDT Hercules

Segment	Offshore
Investment type	Loan
Managing Owner	EDT Offshore

Selection of projects sold in 2018

Atlantic Supramax AS

Paid-in equity (USD)	8,300,000
Acc. Dividends (USD)	12,100,000
Return on equity p.a.	24 %
Money Multiple	1.46x
Duration	18 months

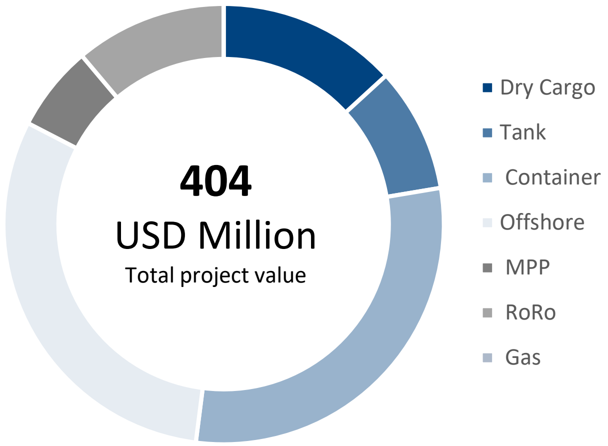
Atlantic Kamsarmax DIS

Paid-in equity (USD)	7,045,000
Acc. Dividends (USD)	7,924,500
Return on equity p.a.	10 %
Money Multiple	1.12x
Duration	19 months

Seacor Supplyships I KS

Paid-in equity (USD)	19,700,000
Acc. Dividends (USD)	31,655,335
Return on equity p.a.	37 %
Money Multiple	1.6x
Duration	11 years

Current Portfolio



Portfolio development

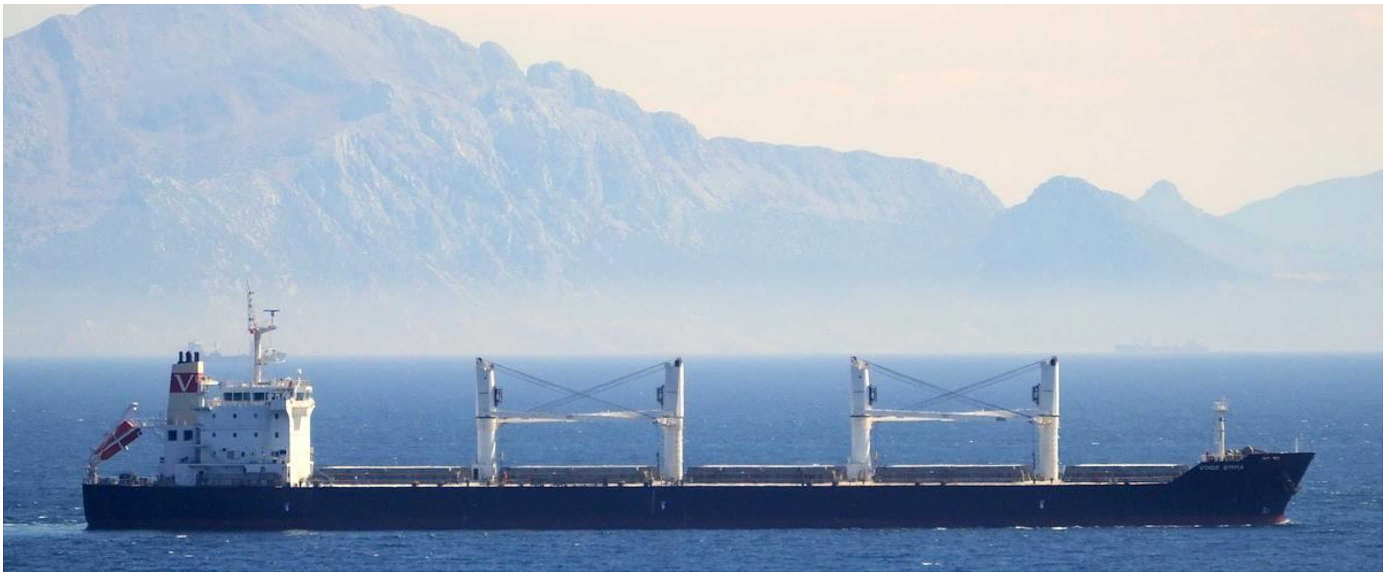
Our current portfolio consists of 30 vessels spread across 24 projects, a net increase of 6 vessels and 5 projects from 2017.

During 2018, the total portfolio value increased by USD 124 m to USD 404 m (45 % increase). The net asset value increased by USD 90 m to USD 256 m (54 % increase).

Est. money multiple (unrealized)	**1.10x**

CURRENT PORTFOLIO

Project	Established	Segment	Employment	Currency	Paid-in equity	Accumulated dividends	NAV	EV	IRR p.a.	Multiple
Atlantic Bridge AS	27.06.2018	Tank	TC/Pool	USD	7 500 000	-	6 796 741	12 796 741	-9 %	0.91
Atlantic Discoverer AS	23.08.2017	Container	Spot	USD	4 000 000	-	6 102 939	8 902 939	37 %	1.53
Atlantic MPP AS	04.06.2018	MPP	BB	USD	5 935 000	437 800	6 105 300	19 718 211	19 %	1.10
Atlantic Pinara AS	01.12.2017	Container	Spot	USD	4 175 000	-	4 623 527	7 323 527	10 %	1.11
Atlantica Bay AS	28.12.2018	Tank	TC/Pool	USD	8 100 000	-	8 100 000	15 100 000	0 %	1.00
Dyvi Cable Ship II DIS	14.01.2016	Offshore	BB	USD	9 850 000	3 250 000	10 875 966	15 625 966	14 %	1.43
EDT Kennedy DIS	08.01.2014	Offshore	BB	USD	7 100 000	820 000	506 518	9 205 023	-39 %	0.19
Greenbarge DIS	03.12.2011	Offshore	TC/Pool	USD	7 000 000	600 000	4 685 968	7 349 000	-4 %	0.76
Jane Offshore LTD	01.05.2015	Offshore	BB	USD						
Njord Container AS	11.10.2018	Container	TC/Pool	USD	5 865 000	-	4 924 899	8 028 899	-16 %	0.84
Njord Handy AS	23.08.2017	Dry Cargo	Spot	USD	12 165 000	1 400 000	17 295 755	27 445 755	41 %	1.54
Njord Julie AS	07.03.2018	Dry Cargo	TC/Pool	USD	7 040 000	800 000	7 476 470	12 702 720	22 %	1.18
NOCC Atlantic DIS	03.02.2007	RoRo	TC/Pool	USD	51 600 000	37 800 000	24 704 664	45 144 664	3 %	1.21
Ocean Scout DIS	15.05.2013	Offshore	TC/Pool	NOK	133 000 000	24 500 000	35 744 000	98 250 000	-21 %	0.45
Private Container I	19.06.2017	Container	Spot	USD	23 389 923	-	26 263 627	26 263 627	9 %	1.12
Private Container II	01.03.2018	Container	TC/Pool	USD	26 196 000	-	25 220 000	25 220 000	-4 %	0.96
Private Container III	01.06.2018	Container	TC/Pool	USD	22 100 000	-	22 970 000	22 970 000	8 %	1.04
Private Dry I	01.10.2017	Dry Cargo	TC/Pool	USD	11 040 000	-	13 390 458	13 390 458	19 %	1.21
Private Tanker I	01.12.2018	Tank	TC/Pool	USD	9 225 000	-	9 225 000	9 225 000	0 %	1.00
Rán Barge DIS	15.12.2017	Offshore	Spot	USD	3 980 000	-	4 947 005	4 947 005	24 %	1.24
Rem Offshore II AS	25.08.2018	Offshore	TC/Pool	USD	9 240 000	-	10 005 856	18 005 856	25 %	1.08
Ross Magdeburg AS	05.10.2017	Container	Spot	USD	3 740 000	-	4 743 823	7 143 823	29 %	1.27
Ross Wisconsin AS	05.07.2018	MPP	BB	USD	5 130 000	-	5 388 417	5 388 417	11 %	1.05
Thor Dahl Container DIS	10.12.2014	Container	BB	USD	16 075 000	6 620 000	13 509 108	13 509 108	7 %	1.25
Sum/weighted average (USD)					**299 328 246**	**72 081 475**	**255 725 985**	**404 444 790**	**6 %**	**1.10**



MV Voge Emma – Owned by Njord Handy (established in 2017)

An asset play project containing 2x Handysize dry bulk vessels

Fearnley Project Finance

THE PROJECTS

Atlantic Bridge AS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 12.0m	USD 68k	Pool	Pool	Tank	31.12.2018

Ice Classed MR Product Tanker
Trading in the Norient Product Pool

Project Broker	Business Manager	Secondhand trade
Edvard B. Aaby	Tone Haugland	Sigurd Virik
(+47) 22 93 63 47	(+47) 22 93 63 45	(+47) 22 93 64 55

PROJECT & COMPANY INFORMATION

Established		Jul-18
Currency		USD
Vessel(s) purchase price		11 900 000
Initial financing		
Long-term debt		6 000 000
Seller's credit		-
Equity		7 500 000
Project price		13 500 000
Equity		
Paid in equity		7 500 000
Paid in equity per 1 %		75 000
Accumulated dividends (since establishment) per 1 %		-
Accumulated dividends in % of paid in equity		0 %
Next estimated dividend per 1 %	Q3 2019	5 500
Last traded per 1 %	05.09.2018	75 000

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Fearnleys	31.12.2018	12 000 000

VESSEL(S) INFORMATION

Name of vessel(s)	**Atlantica Bridge**
Type of vessel(s)	MR Product Tanker (Ice Class)
Year built	2005
Ship yard	STX Shipbuilding, S. Korea
Class	DNV GL
Flag	Malta
Deadweight	51 000
Lightweight	11 100
Cubic meters	51 500
Project Managers	
Managing Owner / Lead Investor	Atlantica Shipping AS
Commercial Manager	Atlantica Shipping AS
Technical Manager	Ahrenkiel Shipmanagement GmbH
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Pool
Pool Operator	Norient Product Pool

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**13 000 000**	**12 000 000**	**11 000 000**
Free cash		118 112	
Net working capital		678 629	
Total assets		12 796 741	
Long-term debt		6 000 000	
Seller's credit		-	
Total liabilities		6 000 000	
NAV	**7 796 741**	**6 796 741**	**5 796 741**
NAV per 1 %	77 967	67 967	57 967
Est. IRR p.a. since establishment			
Est. nominal return since establishment	4 %	-9 %	-23 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income	5 123 150	5 724 784	6 399 000
Operating expenses	- 2 233 029	- 2 295 126	- 2 346 076
Dry dock / survey	-	- 1 000 000	-
Admin / start-up expenses	- 121 375	- 125 569	- 128 458
EBITDA	2 768 746	2 304 090	3 924 466
Change in net working capital	-	-	678 629
CapEx (purchase/sale)	-	-	12 000 000
Net financial expenses	- 451 279	- 397 323	- 341 158
Change in bank debt	- 700 000	- 700 000	- 4 600 000
Free cash flow to equity	1 617 467	1 206 767	11 661 937
Dividends	1 100 000	1 000 000	12 504 283
Est. free cash flow to equity (basis NAV)	24 %	18 %	172 %
Est. dividend yield (basis NAV)	16 %	15 %	184 %
Avg. TCE p.d. assump. (gross)	*14 492*	*16 707*	*18 000*
On-hire days assumption per vessel	*358*	*347*	*360*

EST. RETURN SENSITIVIES (IRR P.A.) (BASIS NAV)

Comment	*Residual value*	*Date of sale* 31.12.2019	31.12.2020	31.12.2021
High Case	14 000 000	65 %	42 %	41 %
Base case	12 000 000	35 %	31 %	35 %
Low case	10 000 000	5 %	17 %	28 %

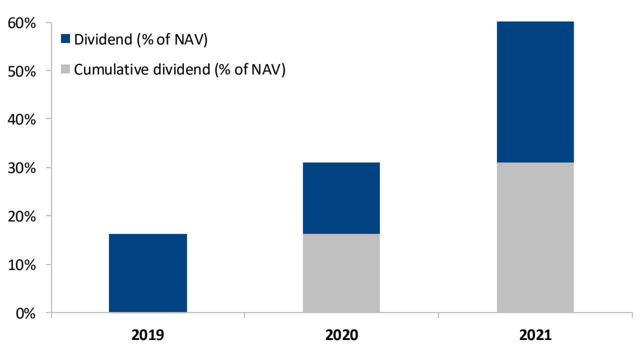
BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash	118 112	635 579	842 346	-
Net working capital	678 629	678 629	678 629	-
Vessel(s) value	12 000 000	12 000 000	12 000 000	-
Total assets	12 796 741	13 314 208	13 520 975	-
Long-term debt	6 000 000	5 300 000	4 600 000	-
Seller's credit	-	-	-	-
Value adjusted equity	6 796 741	8 014 208	8 920 975	-
Total equity and liabilities	12 796 741	13 314 208	13 520 975	-

Est. future IRR p.a. (basis NAV)	35 %	31 %	35 %
Est. future nominal return (basis NAV)	34 %	62 %	115 %

ESTIMATED DIVIDEND YIELD (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



Atlantic Discoverer AS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 8.0m	**USD 61k**	**Spot / TC**	**Q2 2019**	**Container**	**31.12.2018**

2,755 TEU Container Vessel purchased in October 2017
Employed to reputable charterer at USD 11,200/day

Project Broker	Business Manager	Secondhand trade
Edvard B. Aaby	Fredrik Andresen	Axel Bendvold
(+47) 22 93 63 47	(+47) 22 93 64 57	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established		Oct-17
Currency		USD
Vessel(s) purchase price		6 000 000
Initial financing		
Long-term debt		3 000 000
Seller's credit		-
Equity		4 000 000
Project price		7 000 000
Equity		
Paid in equity		4 000 000
Paid in equity per 1 %		40 000
Accumulated dividends (since establishment) per 1 %		-
Accumulated dividends in % of paid in equity		0 %
Next estimated dividend per 1 %	Q2 2019	4 000
Last traded per 1 %	09.03.2018	49 360

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Maersk Broker	31.12.2018	8 000 000

VESSEL(S) INFORMATION

Name of vessel(s)	**MV Atlantic Discoverer**
Type of vessel(s)	Geared container vessel
Year built	2004
Ship yard	Shipyard Stocznia, Poland
Class	GL
Flag	Malta
Deadweight	35 600
Lightweight	12 600
TEU capacity	2 755
Reefer capacity	400
Cranes	1x SWL 35 tons, 3x SWL 45 tones
Project Managers	
Managing Owner / Lead Investor	Atlantica Shipping AS
Commercial Manager	Atlantica Shipping AS
Technical Manager	A.M. Nomikos
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Spot/TC
Charterer	CMA CGM
Current charter rate per day (gross)	11 200
Charter party expiry (max date)	06.06.2019

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**9 000 000**	**8 000 000**	**7 000 000**
Free cash		762 939	
Net working capital		140 000	
Total assets		8 902 939	
Long-term debt		2 800 000	
Seller's credit		-	
Total liabilities		2 800 000	
NAV	**7 102 939**	**6 102 939**	**5 102 939**
NAV per 1 %	71 029	61 029	51 029
Est. IRR p.a. since establishment	53 %	37 %	20 %
Est. nominal return since establishment	78 %	53 %	28 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*
Operating income	3 422 023	2 879 338
Operating expenses	- 2 060 428	- 1 741 626
Dry dock / survey	- 75 000	-
Admin / start-up expenses	- 115 063	- 107 689
EBITDA	1 171 533	1 030 022
Change in net working capital	-	140 000
CapEx (purchase/sale)	-	10 700 000
Net financial expenses	- 216 326	- 201 003
Change in bank debt	- 200 000	- 2 600 000
Free cash flow to equity	755 207	9 069 020
Dividends	1 000 000	9 587 165
Est. free cash flow to equity (basis NAV)	12 %	149 %
Dividend yield (basis NAV)	16 %	157 %
Avg. TCE p.d. assump. (gross)	*10 077*	*10 348*
On-hire days assumption per vessel	*361*	*296*

EST. RETURN SENSITIVIES (IRR P.A.) (BASIS NAV)

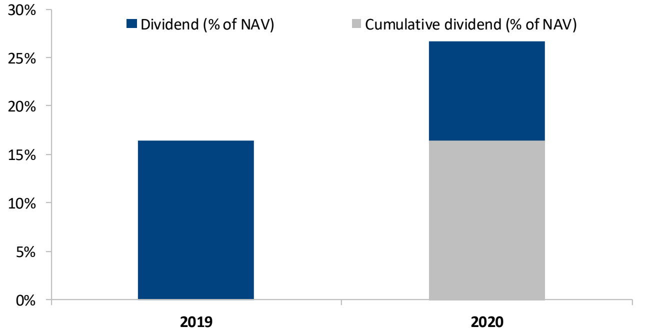
Comment	*Residual value*	*Date of sale* 31.12.2019	31.12.2020
High Case	12 700 000	96 %	47 %
Base case	10 700 000	62 %	34 %
Low case	8 000 000	16 %	15 %

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*
Free cash	762 939	518 147	-
Net working capital	140 000	140 000	-
Vessel(s) value	8 000 000	9 479 452	-
Total assets	8 902 939	10 137 599	-
Long-term debt	2 800 000	2 600 000	-
Seller's credit	-	-	-
Value adjusted equity	6 102 939	7 537 599	-
Total equity and liabilities	8 902 939	10 137 599	-
Est. future IRR p.a. (basis NAV)		41 %	34 %
Est. future nominal return (basis NAV)		40 %	73 %

ESTIMATED DIVIDEND YIELD (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



Atlantic MPP AS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 25.7m	USD 108k	BB	Q2 2023	MPP	31.12.2018

2x MPP vessels on a Bareboat contract, serving in the Condor Liner service (50 % sub-ordinated equity)

Project Broker	Business Manager	Secondhand trade
Eilert H. Lund	Mats Wikholm	Axel Bendvold
(+47) 22 93 63 33	(+47) 22 93 64 56	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established		Jun-18
Currency		USD
Vessel(s) purchase price		20 000 000
Initial financing		
Long-term debt		9 500 000
Seller's credit		-
Equity (Total A and B shares, 50/50 split)		11 870 000
Project price		21 370 000
A share equity		
Paid in equity (A shares)		5 935 000
Paid in equity (A shares) per 1 %		59 350
Accumulated dividends (since establishment) (A sh.) per 1 %		4 378
Accumulated dividends in % of paid in equity (A-sh.)		7 %
Next estimated dividend (A-sh.) per 1 %	Q2 2019	5 342
Last traded (A shares) per 1 %		

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Wesselmann	05.06.2018	25 700 000

VESSEL(S) INFORMATION

Name of vessel(s)	**Condor Bilbao**	**Condor Valparaiso**
Type of vessel(s)	Multi-Purpose Vessel	Multi-Purpose Vessel
Year built	2 011	2012
Ship yard	Tongfang Shipyard, China	Tongfang Shipyard, China
Class	LR	LR
Flag	Cypros	Cypros
Deadweight	17 257	17 257
Lightweight	6 500	6 500
TEU capacity	904	904
Cranes	2 x Cranes SWL 150 t & 1 x Crane SWL 80 t	

Project Managers	
Managing Owner / Lead Investor	Atlantica Shipping AS
Commercial Manager	Atlantica Shipping AS
Technical Manager	Marin Shipmanagement Ltd.
Business Manager	Fearnley Business Managment AS

Vessel(s) employment	
Charter party	Bareboat
Charterer	Marin Bulk Ltd.
Current charter rate per vessel per day (decl. 140/day semi-annually)	4 360
Charter party expiry	04.06.2023

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Est. future IRR p.a.	**15 %**	**21 %**	**25 %**
Free cash		269 073	
Net working capital		500 000	
Implied vessel(s) value	21 314 731	18 949 138	17 818 708
Total assets	22 083 804	19 718 211	18 587 781
Long-term debt		8 875 000	
Seller's credit		-	
Total liabilities		8 875 000	
NAV	**13 208 804**	**10 843 211**	**9 712 781**
NAV per 1 %	132 088	108 432	97 128
NAV per 1 % (A sh.)	73 700	61 053	54 987
Est. IRR p.a. since establishment (A sh.)	61 %	19 %	0 %
Est. Nom. ret. since establishment (A sh.)	32 %	10 %	0 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income	3 131 280	2 935 040	2 722 480
Operating expenses	-	-	-
Dry dock / survey	-	-	-
Admin / start-up expenses	- 162 000	- 166 050	- 170 201
EBITDA	2 969 280	2 768 990	2 552 279
Change in net working capital	-	-	-
CapEx (purchase/sale)	-	-	-
Net financial expenses	- 583 736	- 499 466	- 425 466
Change in bank debt	- 1 250 000	- 1 125 000	- 1 000 000
Free cash flow to equity	1 135 544	1 144 524	1 126 812
Dividends (A shares)	771 550	771 550	771 550
Dividends (B shares)	296 750	296 750	296 750
Est. Div. yield, A sh., basis paid-in equity	13 %	13 %	13 %
Est. Div. yield, A sh., basis NAV	13 %	13 %	13 %

EST. RETURN SENSITIVIES (BASIS NAV) (A sh.)

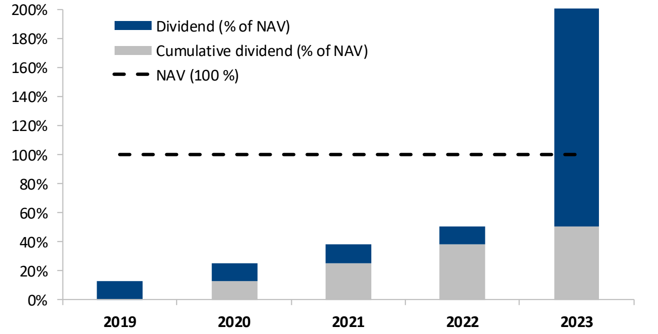
Comment	*Residual value*	*Date*	*IRR p.a.*	*Nominal return*
High case (NB parity per IM)	27 100 000	30.06.2023	32 %	198 %
Base case (Per IM)	21 520 000	30.06.2023	21 %	107 %
Put option (end year 5)	15 900 000	30.06.2023	13 %	54 %

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash	269 073	336 317	412 541	471 054
Net working capital	500 000	500 000	500 000	500 000
Implied Vessel(s) value	18 949 138	19 520 441	20 091 744	20 663 047
Total assets	19 718 211	20 356 758	21 004 285	21 634 101
Long-term debt	8 875 000	7 625 000	6 500 000	5 500 000
Seller's credit	-	-	-	-
Value adjusted equity	10 843 211	12 731 758	14 504 285	16 134 101
Total equity and liabilities	19 718 211	20 356 758	21 004 285	21 634 101

ESTIMATED DIVIDENDS (BASIS NAV) (A shares)

Dividends are subject to change and will continuously be assessed by the Board



Atlantic Pinara AS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 6.5m	USD 46k	Spot / TC	Q1 2019	Container	31.12.2018

1,740 TEU geared container workhorse delivered in December 2017

Project Broker	Business Manager	Secondhand trade
Eilert H. Lund	Fredrik Andresen	Axel Bendvold
(+47) 22 93 63 33	(+47) 22 93 64 57	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established			Dec-17
Currency			USD
Vessel(s) purchase price			6 060 000
Initial financing			
Long-term debt			3 000 000
Seller's credit			-
Equity			4 175 000
Project price			7 175 000
Equity			
Paid in equity			4 175 000
Paid in equity per 1 %			41 750
Accumulated dividends (since establishment) per 1 %			-
Accumulated dividends in % of paid in equity			0 %
Next estimated dividend per 1 %		Q4 2020	81 976
Last traded per 1 %			
Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Maersk Broker / Howe Rob	31.12.2018	6 500 000

VESSEL(S) INFORMATION

Name of vessel(s)	**MV Pinara**
Type of vessel(s)	Feeder container vessel
Year built	2004
Ship yard	Guangzhou Wenchong Shipyard, China
Class	DNV GL
Flag	Liberia
Deadweight	23 400
Lightweight	8 841
TEU capacity	1 740
Reefer capacity	300
Cranes	2x SWL 45 tones
Project Managers	
Managing Owner / Lead Investor	Atlantica Shipping AS
Commercial Manager	Atlantica Shipping AS
Technical Manager	Reederei F. Laeisz GmbH
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Spot/TC
Charterer	CMA CGM
Current charter rate per day (gross)	9 900
Charter party expiry (max date)	27.03.2019

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**7 500 000**	**6 500 000**	**6 000 000**
Free cash		339 172	
Net working capital		484 355	
Total assets		7 323 527	
Long-term debt		2 700 000	
Seller's credit		-	
Total liabilities		2 700 000	
NAV	**5 623 527**	**4 623 527**	**4 123 527**
NAV per 1 %	56 235	46 235	41 235
Est. IRR p.a. since establishment	32 %	10 %	-1 %
Est. nominal return since establishment	35 %	11 %	-1 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*
Operating income	2 654 231	2 961 000
Operating expenses	- 2 012 800	- 2 006 596
Dry dock / survey	- 550 000	-
Admin / start-up expenses	- 102 250	- 94 556
EBITDA	- 10 819	859 848
Change in net working capital	234 355	250 000
CapEx (purchase/sale)	-	9 600 000
Net financial expenses	- 198 756	- 176 214
Change in bank debt	- 300 000	- 2 400 000
Free cash flow to equity	- 275 220	8 133 634
Dividends	-	8 197 585
Est. free cash flow to equity (basis NAV)	-6 %	176 %
Est. dividend yield (basis NAV)	0 %	177 %
Avg. TCE p.d. assump. (gross)	*8 126*	*9 000*
On-hire days assumption per vessel	*348*	*350*

EST. RETURN SENSITIVIES (IRR P.A.) (BASIS NAV)

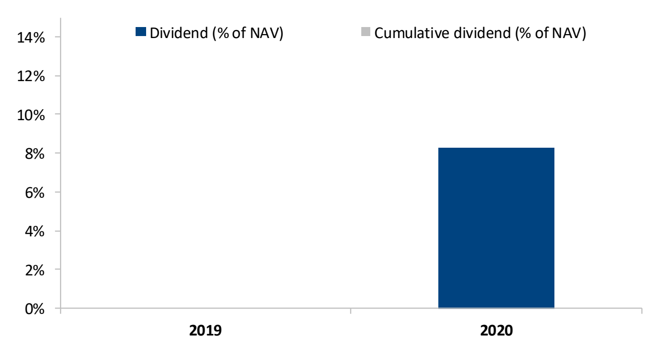
Comment	*Residual value*	*Date of sale 31.12.2019*	*31.12.2020*
High Case	11 000 000	93 %	44 %
Base case	9 000 000	50 %	28 %
Low case	6 500 000	-5 %	5 %

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*
Free cash	339 172	63 952	-
Net working capital	484 355	250 000	-
Vessel(s) value	6 500 000	8 071 831	-
Total assets	7 323 527	8 385 783	-
Long-term debt	2 700 000	2 400 000	-
Seller's credit	-	-	-
Value adjusted equity	4 623 527	5 985 783	-
Total equity and liabilities	7 323 527	8 385 783	-
Est. future IRR p.a. (basis NAV)		29 %	33 %
Est. future nominal return (basis NAV)		29 %	77 %

ESTIMATED DIVIDEND YIELD (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



Atlantica Bay AS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 13.5 m	USD 81k	TC	Q3 2019	Tank	31.12.2018

Product tanker asset play. Upon delivery in Feb'19, the vessel will be chartered out on a 6 months TC at USD 13,500/day

Project Broker	Business Manager	Secondhand trade
Edvard B. Aaby	Tone Haugland	Axel Bendvold
(+47) 22 93 63 47	(+47) 22 93 63 45	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	Dec-18
Currency	USD
Vessel(s) purchase price	13,450,000
Initial financing	
Long-term debt	7,000,000
Seller's credit	-
Equity	8,100,000
Project price	15,100,000

VESSEL(S) INFORMATION

Name of vessel(s)	**Atlantica Bay**
Type of vessel(s)	MR Product Tanker
Year built	2007
Ship yard	Sungdong Shipbuilding, S. Korea
Class	American Bureau of Shipping
Flag	Marshall Islands
Deadweight	46,763
Lightweight	9,488
Cubic meters	51,439

Newly established project in Dec’18 – The Vessel will be delivered Feb’19

Dyvi Cable Ship II DIS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 19.5m	USD 109k	BB	Q2 2025	Offshore	31.12.2018

Cable layer on long term bareboat charter to an industrial player
The DIS has additional security in MV Wave Sentinel

Project Broker	Business Manager	Secondhand trade
Eilert H. Lund	Tone Haugland	Sigurd Virik
(+47) 22 93 63 33	(+47) 22 93 63 45	(+47) 22 93 64 55

PROJECT & COMPANY INFORMATION

Established		Jan-16
Currency		USD
Vessel(s) purchase price		18 250 000
Initial financing		
Long-term debt		4 200 000
Seller's credit		4 750 000
Equity		9 850 000
Project price		18 800 000
Equity		
Paid in equity		9 850 000
Paid in equity per 1 %		98 500
Accumulated dividends (since establishment) per 1 %		32 500
Accumulated dividends in % of paid in equity		33 %
Next estimated dividend per 1 %	Q2 2019	12 000
Last traded per 1 %	27.04.2018	115 000

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Fearnley Offshore Supply	07.11.2017	19 500 000

VESSEL(S) INFORMATION

Name of vessel(s)	**C/S Cable Innovator**
Type of vessel(s)	Stern-working cable layer
Year built	1995
Ship yard	Kvarner Masa, Finland
Class	ABS
Flag	UK
Deadweight	7 500
Project Managers	
Managing Owner / Lead Investor	Dyvi AS
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Bareboat
Charterer	Global Marine Systems Ltd. (GMLS)
Current charter rate per day (gross)	6 900
Charter party expiry (max date)	31.05.2025

ESTIMATED NAV PER 31.12.2018

		Base case	
Return on equity requirement p.a.	**8 %**	**11,5 %**	**15 %**
Free cash		115 621	
Net working capital		-	
Implied vessel(s) value	16 663 094	15 510 345	14 531 131
Total assets	16 778 715	15 625 966	14 646 752
Long-term debt		-	
Seller's credit		4 750 000	
Total liabilities		4 750 000	
NAV	**12 028 715**	**10 875 966**	**9 896 752**
NAV per 1 %	120 287	108 760	98 968
Est. IRR p.a. since establishment	17 %	14 %	11 %
Est. nominal return since establishment	55 %	43 %	33 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income	2 518 500	2 525 400	2 518 500
Operating expenses	-	-	-
Dry dock / survey	-	-	-
Admin / start-up expenses	- 103 500	- 106 088	- 108 740
EBITDA	2 415 000	2 419 313	2 409 760
Change in net working capital	-	-	-
CapEx (purchase/sale)	-	-	-
Net financial expenses	-	-	-
Change in bank debt	-	-	-
Free cash flow to equity	2 415 000	2 419 313	2 409 760
Dividends	2 400 000	2 450 000	2 400 000
Est. free cash flow to equity (basis NAV)	22 %	22 %	22 %
Est. dividend yield (basis NAV)	22 %	23 %	22 %

EST. RETURN SENSITIVIES (BASIS NAV)

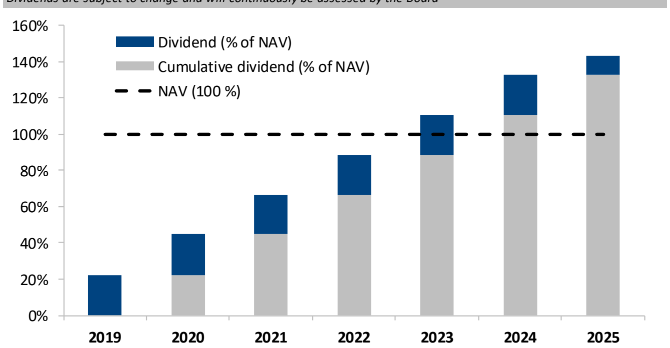
Comment	*Residual value*	*Date*	*IRR p.a.*	*Nominal return*
Base (Purchase obligation)	4 750 000	31.05.2025	11,5 %	43 %

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash	115 621	130 621	99 933	109 693
Net working capital	-	-	-	-
Implied Vessel(s) value	15 510 345	13 833 408	12 156 471	10 479 534
Total assets	15 625 966	13 964 029	12 256 404	10 589 227
Long-term debt	-	-	-	-
Seller's credit	4 750 000	4 750 000	4 750 000	4 750 000
Value adjusted equity	10 875 966	13 964 029	12 256 404	10 589 227
Total equity and liabilities	15 625 966	18 714 029	17 006 404	15 339 227

ESTIMATED DIVIDENDS (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



EDT Kennedy DIS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 9.5m	**USD 5k**	**BB**	**Q1 2020**	**Offshore**	**31.12.2018**

A performing offshore Bareboat Charter with 1 year remaining
Option pricing for investors

Project Broker	Business Manager	Secondhand trade
Tor Kildal	Fredrik Andresen	Axel Bendvold
(+47) 22 93 63 39	(+47) 22 93 64 57	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established			Jan-14
Currency			USD
Vessel(s) purchase price			23 000 000
Initial financing			
Long-term debt			14 000 000
Seller's credit			2 800 000
Equity			7 100 000
Project price			23 900 000
Equity			
Paid in equity			7 100 000
Paid in equity per 1 %			71 000
Un-called equity per 1 %			30 000
Accumulated dividends (since establishment) per 1 %			8 200
Accumulated dividends in % of paid in equity			12 %
Next estimated dividend per 1 %		Q1 2020	5 895
Last traded per 1 %		28.11.2016	10 000
Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Fearnley Offshore Supply	31.12.2018	9 500 000

VESSEL(S) INFORMATION

Name of vessel(s)	**EDT Kennedy**
Type of vessel(s)	PSV - KCM 75 m
Year built	2014
Ship yard	Fujian Southeast Shipyard, China
Class	ABS
Flag	Cyprus
Deadweight	3 300
Design	DPII Platform Support Vessel
Deck area (sq. m)	700
Main engine (bhp)	2 x 3,000
Project Managers	
Managing Owner / Lead Investor	Seahorse Maritime AS
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Bareboat
Charterer	Elnaftiko (EDT)
Current charter rate per day (gross)	3 553
Charter party expiry	31.01.2020

ESTIMATED NAV PER 31.12.2018

		Base case	
Return on equity requirement p.a.	**0 %**	**15 %**	**30 %**
Free cash		617 691	
Net working capital		858 176	
Implied vessel(s) value	7 811 450	7 729 156	7 666 070
Total assets	9 287 317	9 205 023	9 141 937
Long-term debt		5 898 505	
Seller's credit		2 800 000	
Total liabilities		8 698 505	
NAV	**588 813**	**506 518**	**443 432**
NAV per 1 %	5 888	5 065	4 434
Est. IRR p.a. since establishment	-37 %	-39 %	-40 %
Est. nominal return since establishment	-80 %	-81 %	-82 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*
Operating income	1 283 997	109 052
Operating expenses	-	-
Dry dock / survey	-	-
Admin / start-up expenses	- 110 500	- 55 500
EBITDA	1 173 497	53 552
Change in net working capital	858 176	-
CapEx (purchase/sale)	-	7 000 000
Net financial expenses	- 339 416	- 75 542
Change in bank debt	- 1 052 623	- 4 845 882
Free cash flow to equity	639 634	2 132 128
Dividends	-	589 451
Est. free cash flow to equity (basis NAV)	126 %	421 %
Est. dividend yield (basis NAV)	0 %	116 %

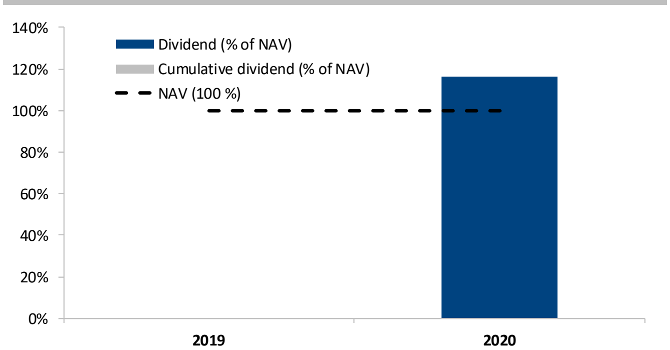
EST. RETURN SENSITIVIES (BASIS NAV)

Comment	*Residual value*	*Date*	*IRR p.a.*	*Nominal return*
Call option (50/50 profit split)	10 000 000	31.01.2020	508 %	609 %
Current Broker value	9 500 000	31.01.2020	429 %	510 %
Base case/Put option	7 000 000	31.01.2020	15 %	16 %
Comment	*Option price*	*Option date*	*IRR p.a.*	*Nominal return*

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.01.2020E*
Free cash	617 691	571 692	-
Net working capital	858 176	-	-
Implied Vessel(s) value	7 729 156	7 056 089	-
Total assets	9 205 023	7 627 781	-
Long-term debt	5 898 505	4 845 882	-
Seller's credit	2 800 000	2 114 369	-
Value adjusted equity	3 306 518	2 781 899	-
Total equity and liabilities	12 005 023	9 742 150	-

ESTIMATED DIVIDENDS (BASIS NAV)



Greenbarge DIS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 7.8m	USD 47k	Pool	Pool	Offshore	31.12.2018

2x North Sea Barges trading in a pool

Project Broker	Business Manager	Secondhand trade
Tor Kildal	Janne G. Heglund	Axel Bendvold
(+47) 22 93 63 39	(+47) 22 93 63 42	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established		Dec-11
Currency		USD
Vessel(s) purchase price		9 795 764
Initial financing		
Long-term debt		5 700 000
Seller's credit		-
Equity		7 000 000
Project price		12 700 000
Equity		
Paid in equity		7 000 000
Paid in equity per 1 %		70 000
Accumulated dividends (since establishment) per 1 %		6 000
Accumulated dividends in % of paid in equity		9 %
Next estimated dividend per 1 %	Q4 2021	73 908
Last traded per 1 %	30.11.2016	50 000

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s) (en bloc)	Colebrook Offshore	20.11.2018	7 750 000

VESSEL(S) INFORMATION

Name of vessel(s)	**Greenbarge 4**	**Greenbarge 3**
Type of vessel(s)	North Sea Barge	North Sea Barge
Year built	2013	2013
Ship yard	Dalian, China	Dalian, China
Class	DNV GL	DNV GL
Flag	NOR	NOR
Lightweight	2 361	2 361
Deck area (sq. m)	2 508	2 508
Uniform deck load (per sq. m)	25t	25t

Project Managers	
Commercial Manager	Rán Offshore AS
Technical Manager	Rán Offshore AS
Business Manager	Fearnley Business Management AS

Vessel(s) employment	**Greenbarge 4**	**Greenbarge 3**
Charter party	Pool	Pool
Pool Operator	Rán Offshore AS	Rán Offshore AS

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**7 750 000**	**7 000 000**	**5 425 000**
Free cash		49 000	
Net working capital		300 000	
Total assets		7 349 000	
Long-term debt		2 663 032	
Seller's credit		-	
Total liabilities		2 663 032	
NAV	**5 435 968**	**4 685 968**	**3 110 968**
NAV per 1 %	54 360	46 860	31 110
Est. IRR p.a. since establishment	-2 %	-4 %	-10 %
Est. nominal return since establishment	-14 %	-24 %	-47 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income	821 065	1 356 220	1 472 424
Operating expenses	- 317 900	- 326 740	- 333 993
Dry dock / survey	-	-	-
Admin / start-up expenses	- 91 000	- 93 531	- 95 550
EBITDA	412 166	935 950	1 042 881
Change in net working capital	-	-	300 000
CapEx (purchase/sale)	-	-	7 750 000
Net financial expenses	- 170 518	- 145 669	- 119 989
Change in bank debt	- 380 432	- 380 432	- 1 902 168
Free cash flow to equity	- 138 784	409 849	7 070 724
Dividends	-	-	7 390 789
Est. free cash flow to equity (basis NAV)	-3 %	9 %	151 %
Est. dividend yield (basis NAV)	0 %	0 %	158 %
Avg. TCE p.d. assump. (gross)	*2 368*	*3 901*	*4 246*
On-hire days assumption per vessel	*365*	*366*	*365*

EST. RETURN SENSITIVITIES (IRR P.A.) (BASIS NAV)

Comment	*Residual value*	*Date of sale*		
		31.12.2019	*31.12.2020*	*31.12.2021*
High Case	11 000 000	91 %	44 %	31 %
Base case	7 750 000	21 %	17 %	16 %
Low case*	6 587 500	-4 %	6 %	10 %

*Depreciated value in 2021, based on 25 year economic life to zero

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash	49 000	- 89 784	320 065	-
Net working capital	300 000	300 000	300 000	-
Vessel(s) value	7 000 000	7 250 000	7 500 000	-
Total assets	7 349 000	7 460 216	8 120 065	-
Long-term debt	2 663 032	2 282 600	1 902 168	-
Seller's credit	-	-	-	-
Value adjusted equity	4 685 968	5 177 616	6 217 897	-
Total equity and liabilities	7 349 000	7 460 216	8 120 065	-

Est. future IRR p.a. (basis NAV)	10 %	15 %	16 %
Est. future nominal return (basis NAV)	10 %	33 %	58 %

Jane Offshore Ltd.

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
Contact FPF		BB	Q2 2025	Offshore	31.12.2018

A performing offshore Bareboat Charter with 6 years remaining

Project Broker	Business Manager	Secondhand trade
Tor Kildal	Fredrik Andresen	Axel Bendvold
(+47) 22 93 63 39	(+47) 22 93 64 57	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established	Apr-15
Currency	USD
Initial financing	
Long-term debt	
Seller's credit	
Equity	
Project price	
Equity	
Paid in equity	
Paid in equity per 1 %	
Accumulated dividends (since establishment) per 1 %	
Accumulated dividends in % of paid in equity	
Next estimated dividend per 1 %	
Last traded per 1 %	

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Fearnley Offshore Supply	31.12.2018	32 500 000

VESSEL(S) INFORMATION

Name of vessel(s)	**EDT Jane**
Type of vessel(s)	MPSV, DP2
Year built	2013
Ship yard	Constructiones Vavales Del Nort, Spain
Class	DNV GL
Flag	Cyprus

Vessel(s) employment	
Charter party	Bareboat
Charterer	EDT Offshore
Current charter rate per day	15 825
Charter party expiry	28.04.2025

ESTIMATED NAV PER 31.12.2018

	Base case
Return on equity requirement p.a.	
Free cash	
Net working capital	
Implied vessel(s) value	
Total assets	
Shareholder's loan	
Seller's credit	
Total liabilities	
NAV	
NAV per 1 %	
Est. IRR p.a. since establishment	
Est. nominal return since establishment	

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income			
Operating expenses			
Dry dock / survey			
Admin / start-up expenses			
EBITDA			
Change in net workin[g]			
CapEx (purchase/			
Net financial			
Change			
Fre[e] ... [e]quity			
[E]st. free cash flow to equity (basis NAV)			
Est. dividend yield (basis NAV)			

EST. RETURN SENSITIVIES (BASIS NAV)

Comment	*Residual value*	*Date*		*Nominal return*
High				
Base				
Low				

Comment	*Option price*	*Option date*	*IRR p.a.*	*Nominal return*

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash				
Net working capital				
Implied Vessel(s) value				
Total assets				
Shareholder's loan				
Seller's credit				
Value adjusted equity				
Total equity and liabilities				

Private deal – please contact FPF for more information

Njord Container

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 7.0m	USD 47k	Spot / TC	Q1 2019	Container	31.12.2018

2,499 TEU Feeder Container asset play

Njord Container owns 50 % of Palmaille 75 KG (vessel owning company)

Project Broker	Business Manager	Secondhand trade
Petter F. Bøe	Martin Ranhoff	Sigurd Virik
(+47) 22 93 64 50	(+47) 22 93 63 41	(+47) 22 93 64 55

PROJECT & COMPANY INFORMATION

Established		Oct-18
Currency		USD
Vessel(s) purchase price		7 800 000
Initial financing		
Long-term debt		3 200 000
Seller's credit		-
Equity		5 865 000
Project price		9 065 000
Equity		
Paid in equity		5 865 000
Paid in equity per 1 %		58 650
Accumulated dividends (since establishment) per 1 %		-
Accumulated dividends in % of paid in equity		0 %
Next estimated dividend per 1 %	Q1 2019	3 000
Last traded per 1 %		

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Maersk Broker	31.12.2018	7 000 000

VESSEL(S) INFORMATION

Name of vessel(s)	**AS Pamira**
Type of vessel(s)	Feeder Container Vessel
Year built	2002
Ship yard	SSW, Germany
Class	DNV GL
Flag	Malta
Deadweight	34 414
Lightweight	11 842
TEU capacity	2 495
Reffer capacity	342
Cranes	3 x electro-hydraulic cranes
Project Managers	
Managing Owner / Lead Investor	Njord Shipping AS
Commercial Manager	Contchart GmbH
Technical Manager	Ahrenkiel Steamship GmbH
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Spot/TC
Charterer	Turkon
Current charter rate per day (gross)	11 200
Charter party expiry (min date)	24.03.2019

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**8 000 000**	**7 000 000**	**6 000 000**
Free cash		1 008 335	
Net working capital		- 229 436	
Total assets		7 778 899	
Long-term debt		3 104 000	
Seller's credit		-	
Total liabilities		3 104 000	
NAV	**5 674 899**	**4 674 899**	**3 674 899**
NAV per 1 %	56 749	46 749	36 749
NAV per 1 % (Njord Container AS, 50 %)	28 374	23 374	18 374
Est. IRR p.a. since establishment			
Est. nominal return since establishment	-3 %	-20 %	-37 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income	3 161 481	3 376 894	3 657 500
Operating expenses	- 2 155 989	- 2 205 134	- 2 243 091
Dry dock / survey	- 40 000	-	-
Admin / start-up expenses	- 112 000	- 114 040	- 116 121
EBITDA	853 492	1 057 720	1 298 288
Change in net working capital	- 225 000	-	-
CapEx (purchase/sale)	-	-	-
Net financial expenses	- 194 503	- 170 231	- 144 433
Change in bank debt	- 384 000	- 384 000	- 384 000
Free cash flow to equity	49 989	503 489	769 855
Dividends	850 000	390 000	770 000
Est. free cash flow to equity (basis NAV)	1 %	11 %	16 %
Est. dividend yield (basis NAV)	18 %	8 %	16 %
Avg. TCE p.d. assump. (gross)	*9 646*	*10 127*	*11 000*
On-hire days assumption per vessel	*345*	*351*	*350*

EST. RETURN SENSITIVIES (IRR P.A.) (BASIS NAV)

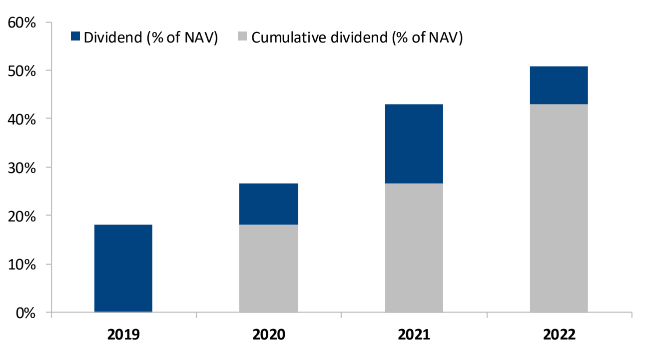
Comment	*Residual value*	*Date of sale* 31.12.2019	31.12.2020	31.12.2021
High Case	8 400 000	53 %	34 %	29 %
Base case	6 400 000	7 %	14 %	18 %
Low case	4 400 000	-39 %	-11 %	3 %

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash	1 008 335	208 324	321 812	321 667
Net working capital	- 229 436	250 000	250 000	250 000
Vessel(s) value	7 000 000	6 828 571	6 657 142	6 485 713
Total assets	7 778 899	7 286 895	7 228 954	7 057 380
Long-term debt	3 104 000	2 720 000	2 336 000	1 952 000
Seller's credit	-	-	-	-
Value adjusted equity	4 674 899	4 566 895	4 892 954	5 105 380
Total equity and liabilities	7 778 899	7 286 895	7 228 954	7 057 380
Est. future IRR p.a. (basis NAV)		17 %	17 %	18 %
Est. future nominal return (basis NAV)		16 %	31 %	52 %

ESTIMATED DIVIDEND YIELD (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



Njord Handy

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 26.0m	USD 173k	Spot / TC	Q2 1931	Dry bulk	31.12.2018

2 x modern Hyundai Mipo Handysize vessels

Njord Handy AS owns 83.3 % of the vessel owning company Avior GmbH

Project Broker	Business Manager	Secondhand trade
Edvard B. Aaby	Mats Wikholm	Axel Bendvold
(+47) 22 93 63 47	(+47) 22 93 64 56	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established			Sep-17
Currency			USD
Vessel(s) purchase price			20 500 000
Initial financing			
Long-term debt			10 750 000
Seller's credit			-
Equity			12 165 000
Project price			22 915 000
Equity			
Paid in equity			12 165 000
Paid in equity per 1 %			121 650
Accumulated dividends (since establishment) per 1 %			14 000
Accumulated dividends in % of paid in equity			12 %
Next estimated dividend per 1 %		Q2 2019	5 000
Last traded per 1 % (Njord Handy AS)		19.04.2018	111 940
Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Fearnleys	31.12.2018	26 000 000

VESSEL(S) INFORMATION

Name of vessel(s)	**Voge Emma**	**Voge Mia**
Type of vessel(s)	Handysize	Handysize
Year built	2011	2011
Ship yard	Hyundai Mipo (Korea)	Hyundai Mipo (Korea)
Class	DNVGL	DNVGL
Flag	Liberia	Liberia
Deadweight	36 839	36 866
Lightweight	8 137	8 101
Cranes	4 x 30 tons (grab fitted)	4 x 30 tons (grab fitted)

Project Managers	
Managing Owner / Lead Investor	Njord Shipping
Commercial Manager	H. Vogemann Reederei GmbH
Technical Manager	H. Vogemann Reederei GmbH
Business Manager	Fearnley Business Management AS

Vessel(s) employment	**Voge Emma**	**Voge Mia**
Charter party	Spot / TC	Spot / TC
Charterer	Norvic Shipping	Oldendorff
Current charter rate per day (gross)	11 750	11 500
Charter party expiry (max date)	03.04.2019	24.01.2019

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**28 000 000**	**26 000 000**	**24 000 000**
Free cash		550 755	
Net working capital		895 000	
Total assets		27 445 755	
Long-term debt		10 150 000	
Seller's credit		-	
Total liabilities		10 150 000	
NAV	**19 295 755**	**17 295 755**	**15 295 755**
NAV per 1 %	192 958	172 958	152 958
NAV per 1 % (Njord Handy AS, 83.3 %)	160 734	144 074	127 414
Est. IRR p.a. since establishment	53 %	41 %	29 %
Est. nominal return since establishment	70 %	54 %	37 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*
Operating income	7 536 328	8 122 500
Operating expenses	- 3 862 292	- 3 969 696
Dry dock / survey	- 30 000	-
Admin / start-up expenses	- 251 887	- 258 185
EBITDA	3 392 149	3 894 620
Change in net working capital	- 135 000	1 030 000
CapEx (purchase/sale)	-	29 800 000
Net financial expenses	- 776 507	- 673 186
Change in bank debt	- 1 200 000	- 8 950 000
Free cash flow to equity	1 280 641	25 101 434
Dividends	1 200 000	25 732 829
Est. free cash flow to equity (basis NAV)	7 %	145 %
Dividend yield (basis NAV)	7 %	149 %
Avg. TCE p.d. assump. (gross) per vessel	*11 165*	*12 000*
On-hire days assumption per vessel	*360*	*361*

EST. RETURN SENSITIVIES (IRR P.A.) (BASIS NAV)

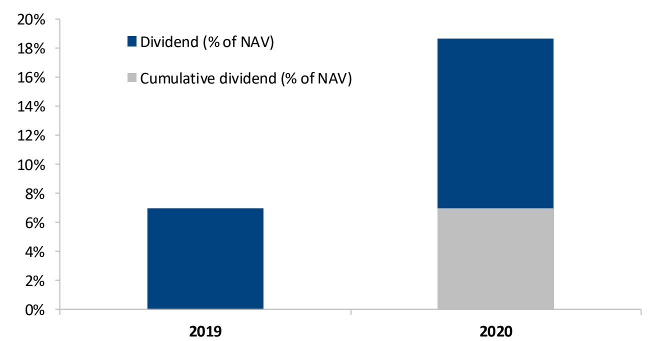
Comment	*Residual value*	*Date of sale 31.12.2019*	*Date of sale 31.12.2020*
High Case	31 800 000	49 %	31 %
Base case (per IM)	29 800 000	38 %	26 %
Low case	26 000 000	15 %	16 %

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*
Free cash	550 755	631 395	-
Net working capital	895 000	1 030 000	-
Vessel(s) value	26 000 000	27 900 000	-
Total assets	27 445 755	29 561 395	-
Long-term debt	10 150 000	8 950 000	-
Seller's credit	-	-	-
Value adjusted equity	17 295 755	20 611 395	-
Total equity and liabilities	27 445 755	29 561 395	-
Est. future IRR p.a. (basis NAV)		26 %	26 %
Est. future nominal return (basis NAV)		26 %	56 %

ESTIMATED DIVIDEND YIELD (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



Njord Julie AS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 12.0m	USD 75k	Spot / TC	Q2 2019	Dry bulk	31.12.2018

Modern Seahorse 35 Handysize Vessel managed by Vogemann and Njord Shipping

Project Broker	Business Manager	Secondhand trade
Edvard B. Aaby	Mats Wikholm	Axel Bendvold
(+47) 22 93 63 47	(+47) 22 93 64 56	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established		Mar-18
Currency		USD
Vessel(s) purchase price		11 300 000
Initial financing		
Long-term debt		5 650 000
Seller's credit		-
Equity		7 040 000
Project price		12 690 000
Equity		
Paid in equity		7 040 000
Paid in equity per 1 %		70 400
Accumulated dividends (since establishment) per 1 %		8 000
Accumulated dividends in % of paid in equity		11 %
Next estimated dividend per 1 %	Q2 2019	2 500
Last traded per 1 %	28.09.2018	78 000

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Fearnleys	31.12.2018	12 000 000

VESSEL(S) INFORMATION

Name of vessel(s)	**Voge Julie**
Type of vessel(s)	Handysize, Bulk Carrier
Year built	2011
Ship yard	Qidong Daoda HI, China
Class	LR
Flag	Liberia
Deadweight	35 853
Lightweight	10 275
Cranes	4x SWL 30 tons
Project Managers	
Managing Owner / Lead Investor	Njord Shipping AS
Commercial Manager	H. Vogemann Reederei GmbH
Technical Manager	H. Vogemann Reederei GmbH
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Spot / TC
Charterer	Falcon Navigation
Current charter rate per day (gross)	11 000
Charter party expiry (max date)	31.05.2019

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**13 000 000**	**12 000 000**	**11 000 000**
Free cash		372 994	
Net working capital		329 726	
Total assets		12 702 720	
Long-term debt		5 226 250	
Seller's credit		-	
Total liabilities		5 226 250	
NAV	**8 476 470**	**7 476 470**	**6 476 470**
NAV per 1 %	84 765	74 765	64 765
Est. IRR p.a. since establishment	41 %	22 %	4 %
Est. nominal return since establishment	32 %	18 %	3 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*
Operating income	3 587 756	4 018 144
Operating expenses	- 1 870 922	- 1 925 951
Dry dock / survey	-	- 30 000
Admin / start-up expenses	- 138 125	- 141 328
EBITDA	1 578 709	1 920 865
Change in net working capital	-	329 726
CapEx (purchase/sale)	-	14 000 000
Net financial expenses	- 401 143	- 356 929
Change in bank debt	- 565 000	- 4 661 250
Free cash flow to equity	612 566	11 232 411
Dividends	650 000	11 567 972
Est. free cash flow to equity (basis NAV)	8 %	150 %
Dividend yield (basis NAV)	9 %	155 %
Avg. TCE p.d. assump. (gross)	*10 520*	*11 881*
On-hire days assumption per vessel	*359*	*356*

EST. RETURN SENSITIVIES (IRR P.A.) (BASIS NAV)

Comment	*Residual value*	*Date of sale 31.12.2019*	*31.12.2020*
High Case	16 000 000	70 %	40 %
Base case	14 000 000	43 %	29 %
Low case	12 000 000	16 %	18 %

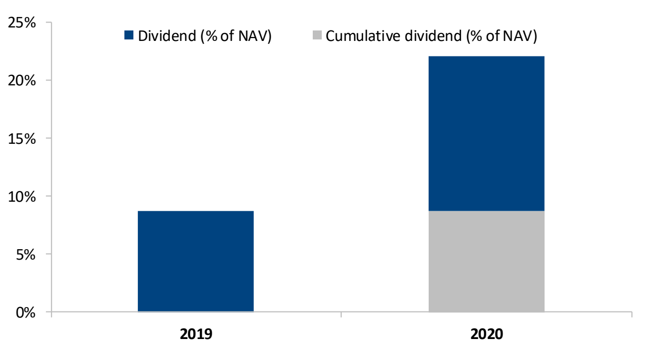
BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*
Free cash	372 994	335 560	-
Net working capital	329 726	329 726	-
Vessel(s) value	12 000 000	13 000 000	-
Total assets	12 702 720	13 665 286	-
Long-term debt	5 226 250	4 661 250	-
Seller's credit	-	-	-
Value adjusted equity	7 476 470	9 004 036	-
Total equity and liabilities	12 702 720	13 665 286	-

Est. future IRR p.a. (basis NAV)	30 %	29 %
Est. future nominal return (basis NAV)	29 %	63 %

ESTIMATED DIVIDEND YIELD (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



NOCC Atlantic DIS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 41.0m	**USD 247k**	**Spot / TC**	**Q2 2019**	**RoRo**	**31.12.2018**

Modern PCTC on timecharter to industrial player

Project Broker	Business Manager	Secondhand trade
Eilert H. Lund	Janne G. Heglund	Axel Bendvold
(+47) 22 93 63 33	(+47) 22 93 63 42	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established		Feb-07
Currency		USD
Vessel(s) purchase price		151 000 000
Initial financing		
Long-term debt		114 000 000
Seller's credit		-
Equity		51 600 000
Project price		165 600 000
Equity		
Paid in equity		51 600 000
Paid in equity per 1 %		516 000
Accumulated dividends (since establishment) per 1 %		378 000
Accumulated dividends in % of paid in equity		73 %
Next estimated dividend per 1 %	Q3 2022	361 670
Last traded per 1 %	18.11.2016	160 000

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Fearnleys/Hesnes	31.12.2018	41 000 000

VESSEL(S) INFORMATION

Name of vessel(s)	**NOCC Atlantic**
Type of vessel(s)	Pure car/truck carrier
Year built	2009
Ship yard	Samjin co./DSME WeiHai Co. Ltd., China
Class	DNV GL
Flag	NIS
Capacity (units)	6,700 units
Decks (hoistable)	13 (4)
Project Managers	
Managing Owner / Lead Investor	Norwegian Car Carriers AS
Commercial Manager	Norwegian Car Carriers AS
Technical Manager	Wallem, Hong Kong
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Spot/TC
Charterer	i Glovis Co. Ltd
Current charter rate per day (gross)	13 600
Charter party expiry (max date)	16.04.2019

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**45 100 000**	**41 000 000**	**30 000 000**
Free cash		3 144 664	
Net working capital		1 000 000	
Total assets		45 144 664	
Long-term debt		20 440 000	
Seller's credit		-	
Total liabilities		20 440 000	
NAV	**28 804 664**	**24 704 664**	**13 704 664**
NAV per 1 %	288 047	247 047	137 047
Est. IRR p.a. since establishment	4 %	3 %	0 %
Est. nominal return since establishment	29 %	21 %	0 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income	6 358 627	9 072 464	9 370 800
Operating expenses	- 2 222 850	- 2 284 664	- 2 335 382
Dry dock / survey	- 1 549 000	-	-
Admin / start-up expenses	-	-	-
EBITDA	2 586 777	6 787 800	7 035 418
Change in net working capital	-	-	-
CapEx (purchase/sale)	-	-	-
Net financial expenses	- 1 222 938	- 1 033 188	- 837 660
Change in bank debt	- 3 040 000	- 3 040 000	- 3 040 000
Free cash flow to equity	- 1 676 160	2 714 613	3 157 758
Dividends	-	-	-
Est. free cash flow to equity (basis NAV)	-7 %	11 %	13 %
Est. dividend yield (basis NAV)	0 %	0 %	0 %
Avg. TCE p.d. assump. (gross)	*19 490*	*26 455*	*27 400*
On-hire days assumption per vessel	*343*	*361*	*360*

EST. RETURN SENSITIVIES (IRR P.A.) (BASIS NAV)

Comment	*Residual value*	*Date of sale*		
		31.12.2019	*31.12.2020*	*31.12.2021*
High Case	42 400 000	11 %	16 %	17 %
Base case*	36 200 000	-14 %	5 %	10 %
Low case	30 000 000	-39 %	-8 %	3 %

*Depreciated value in 2022. 30 years to zero

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash	3 144 664	1 468 503	4 183 115	7 340 874
Net working capital	1 000 000	1 000 000	1 000 000	1 000 000
Vessel(s) value	41 000 000	39 630 745	38 261 490	36 892 235
Total assets	45 144 664	42 099 248	43 444 605	45 233 109
Long-term debt	20 440 000	17 400 000	14 360 000	11 320 000
Seller's credit	-	-	-	-
Value adjusted equity	24 704 664	24 699 248	29 084 605	33 913 109
Total equity and liabilities	45 144 664	42 099 248	43 444 605	45 233 109
Est. future IRR p.a. (basis NAV)		0 %	8 %	11 %
Est. future nominal return (basis NAV)		0 %	18 %	37 %

Ocean Scout DIS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
NOK 91.3m	**NOK 357k**	**Spot / TC**	**Q1 2020**	**Offshore**	**31.12.2018**

Norwegian built PSV on a time charter to an industrial player

Project Broker	Business Manager	Secondhand trade
Edvard B. Aaby	Fredrik Andresen	Axel Bendvold
(+47) 22 93 63 47	(+47) 22 93 64 57	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established			May-13
Currency			NOK
Vessel(s) purchase price			220 000 000
Initial financing			
Long-term debt			100 000 000
Seller's credit			15 000 000
Equity			111 000 000
Project price			226 000 000
Equity			
Paid in equity			133 000 000
Paid in equity per 1 %			1 330 000
Accumulated dividends (since establishment) per 1 %			245 000
Accumulated dividends in % of paid in equity			18 %
Next estimated dividend per 1 %		Q2 2020	387 601
Last traded per 1 %		25.05.2018	320 000
Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Fearnley Offshore Supply	31.12.2018	91 250 000

VESSEL(S) INFORMATION

Name of vessel(s)	**Dina Scout**
Type of vessel(s)	Platform Supply Vessel w/ DP2, FiFi1
Year built	2013
Ship yard	Simek, Norway
Class	DNV GL
Flag	NIS
Design	UT 755 LC
Deck area (sq. m)	707 sqm
Main engine (bhp)	6,920 bhp
Project Managers	
Managing Owner / Lead Investor	Bergshav Management AS
Commercial Manager	Myklebusthaug Management AS
Technical Manager	Myklebusthaug Management AS
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Spot / TC
Charterer	Peterson
Charter party expiry	06.02.2020

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**100 375 000**	**91 250 000**	**82 125 000**
Free cash		6 500 000	
Net working capital		500 000	
Total assets		98 250 000	
Long-term debt		62 506 000	
Seller's credit		-	
Total liabilities		62 506 000	
NAV	**44 869 000**	**35 744 000**	**26 619 000**
NAV per 1 %	448 690	357 440	266 190
Est. IRR p.a. since establishment	-17 %	-21 %	-27 %
Est. nominal return since establishment	-57 %	-66 %	-74 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*
Operating income	20 703 024	8 606 746
Operating expenses	- 14 740 389	- 6 291 925
Dry dock / survey	-	-
Admin / start-up expenses	- 695 000	- 356 188
EBITDA	5 267 635	1 958 634
Change in net working capital	-	500 000
CapEx (purchase/sale)	-	91 250 000
Net financial expenses	- 3 058 905	- 1 151 291
Change in bank debt	-	- 62 506 000
Free cash flow to equity	2 208 730	30 051 342
Dividends	-	38 760 072
Est. free cash flow to equity (basis NAV)	6 %	84 %
Est. dividend yield (basis NAV)	0 %	108 %
Avg. TCE p.d. assump. (gross)	*58 475*	*57 216*
On-hire days assumption per vessel	*354*	*150*

EST. RETURN SENSITIVIES (IRR P.A.) (BASIS NAV)

Comment	*Residual value*	*Date of sale* 31.12.2019	30.06.2020
High Case	100 000 000	31 %	21 %
Base case	91 250 000	6 %	6 %
Low case	80 000 000	-25 %	-16 %

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*30.06.2020E*
Free cash	6 500 000	8 708 730	-
Net working capital	500 000	500 000	-
Vessel(s) value	91 250 000	91 250 000	-
Total assets	98 250 000	100 458 730	-
Long-term debt	62 506 000	62 506 000	-
Seller's credit	-	-	-
Value adjusted equity	35 744 000	37 952 730	-
Total equity and liabilities	98 250 000	100 458 730	-

Est. future IRR p.a. (basis NAV)	6 %	6 %
Est. future nominal return (basis NAV)	6 %	8 %

Ran Barge DIS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 4.8m	USD 49k	Pool	Pool	Offshore	31.12.2018

Flat top barge employed in the Greenbarge Pool

Project Broker	Business Manager	Secondhand trade
Tor Kildal	Janne G. Heglund	Axel Bendvold
(+47) 22 93 63 39	(+47) 22 93 63 42	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established			Dec-17
Currency			USD
Vessel(s) purchase price			2 925 000
Initial financing			
Long-term debt			-
Seller's credit			-
Equity			3 980 000
Project price			3 980 000
Equity			
Paid in equity			3 980 000
Paid in equity per 1 %			39 800
Accumulated dividends (since establishment) per 1 %			-
Accumulated dividends in % of paid in equity			0 %
Next estimated dividend per 1 %		Q1 2020	2 100
Last traded per 1 %			
Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Fearnley Offshore Supply	31.12.2018	4 750 000

VESSEL(S) INFORMATION

Name of vessel(s)	**Ranbarge 1**
Type of vessel(s)	A1 Barge, ballasting deck cargo barge
Year built	2014
Ship yard	Jingjiang Nanyan Shipbuilding, China
Class	ABS
Deadweight	20 000
Lightweight	3 500
Deck area (sq. m)	4 500
Length overall	400' / 121.92 m
Bredth overall	120' / 36.57 m
Depth	25' / 7.62 m
Deck Strength	25 t /sq. m
Project Managers	
Commercial Manager	Rán Offshore AS
Technical Manager	Rán Offshore AS
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Pool
Pool Operator	Greenbarge Pool
Current pool earnings per day	50 653

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**5 700 000**	**4 750 000**	**3 800 000**
Free cash		197 005	
Net working capital		-	
Total assets		4 947 005	
Long-term debt		-	
Seller's credit		-	
Total liabilities		-	
NAV	**5 897 005**	**4 947 005**	**3 997 005**
NAV per 1 %	58 970	49 470	39 970
Est. IRR p.a. since establishment	46 %	24 %	0 %
Est. nominal return since establishment	48 %	24 %	0 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income	912 019	1 368 840	1 535 738
Operating expenses	- 194 363	- 199 768	- 204 203
Dry dock / survey	- 500 000	-	-
Admin / start-up expenses	- 106 408	- 109 068	- 111 795
EBITDA	111 248	1 060 004	1 219 740
Change in net working capital	-	-	-
CapEx (purchase/sale)	-	-	-
Net financial expenses	-	-	-
Change in bank debt	-	-	-
Free cash flow to equity	111 248	1 060 004	1 219 740
Dividends	-	1 000 000	1 260 000
Est. free cash flow to equity (basis NAV)	2 %	21 %	25 %
Est. dividend yield (basis NAV)	0 %	20 %	25 %
Avg. TCE p.d. assump. (gross)	*4 345*	*8 000*	*9 000*
On-hire days assumption per vessel	*225*	*183*	*183*

EST. RETURN SENSITIVIES (IRR P.A.) (BASIS NAV)

Comment	*Residual value*	*Date of sale* 31.12.2019	31.12.2020	31.12.2021
High Case	5 200 000	11 %	16 %	18 %
Base case*	4 200 000	-9 %	6 %	12 %
Low case	3 200 000	-29 %	-4 %	6 %

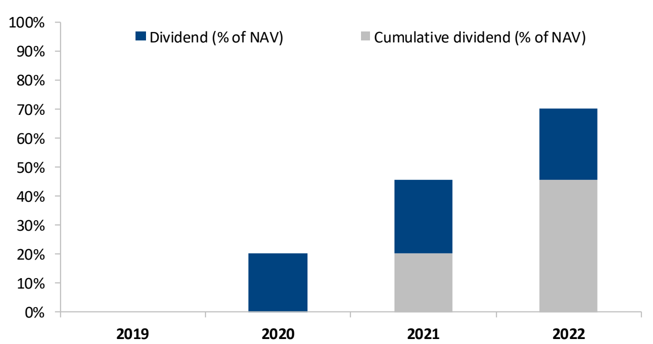
*depreciated value in 2021, basis 25 year to zero

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash	197 005	308 252	368 256	327 997
Net working capital	-	-	-	-
Vessel(s) value	4 750 000	4 612 500	4 475 000	4 337 500
Total assets	4 947 005	4 920 752	4 843 256	4 665 497
Long-term debt	-	-	-	-
Seller's credit	-	-	-	-
Value adjusted equity	4 947 005	4 920 752	4 843 256	4 665 497
Total equity and liabilities	4 947 005	4 920 752	4 843 256	4 665 497
Est. future IRR p.a. (basis NAV)		-1 %	9 %	13 %
Est. future nominal return (basis NAV)		-1 %	18 %	40 %

ESTIMATED DIVIDEND YIELD (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



Rem Offshore II AS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 15.6m	USD 100k	TC	Q4 2021	Offshore	31.12.2018

Seismic Node Handling Vessel on a 3 year contract to a Government backed Charterer

Project Broker	Business Manager	Secondhand trade
Edvard B. Aaby	Tone Haugland	Sigurd Virik
(+47) 22 93 63 47	(+47) 22 93 63 45	(+47) 22 93 64 55

PROJECT & COMPANY INFORMATION

Established		Aug-18
Currency		USD
Vessel(s) purchase price		15 600 000
Initial financing		
Long-term debt		8 000 000
Seller's credit		-
Equity		9 240 000
Project price		17 240 000
Equity		
Paid in equity		9 240 000
Paid in equity per 1 %		92 400
Accumulated dividends (since establishment) per 1 %		-
Accumulated dividends in % of paid in equity		0 %
Next estimated dividend per 1 %	Q4 2019	12 000
Last traded per 1 %	12.09.2018	92 400

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Acquisition value	25.08.2018	15 600 000

VESSEL(S) INFORMATION

Name of vessel(s)	**Rem Aquarius**
Type of vessel(s)	Large PSV, converted to Seismic Node Handlig Vessel
Year built	2012
Ship yard	Remontowa Shipbuilding, Poland
Class	Bureau Veritas
Flag	Bahamas
Deadweight	5 200
Design	MMC 887 CP
Deck area (sq. m)	945
Main engine (bhp)	8 716
Project Managers	
Managing Owner / Lead Investor	Rem Offshore AS
Commercial Manager	Rem Offshore AS
Technical Manager	Rem Offshore AS
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Long-term TC
Charterer	BGP - China National Petroleum Corporation
Charter rate per day (minimum weighted average)	16 850
Charter party expiry (max date)	24.10.2021

ESTIMATED NAV PER 31.12.2018

		Base case	
Return on equity requirement p.a.	**15 %**	**18 %**	**22 %**
Free cash		719 970	
Net working capital		934 000	
Implied vessel(s) value	17 060 017	16 351 886	15 608 102
Total assets	18 713 987	18 005 856	17 262 072
Long-term debt		8 000 000	
Seller's credit		-	
Total liabilities		8 000 000	8 000 000
NAV	**10 713 987**	**10 005 856**	**9 262 072**
NAV per 1 %	107 140	100 059	92 621
Est. IRR p.a. since establishment	53 %	25 %	1 %
Est. nominal return since establishment	16 %	8 %	0 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income	6 761 000	6 167 100	5 004 450
Operating expenses	- 3 524 607	- 3 170 018	- 2 636 701
Dry dock / survey	- 250 000	-	-
Admin / start-up expenses	- 70 000	- 71 750	- 73 544
EBITDA	2 916 393	2 925 333	2 294 205
Change in net working capital	- 571 500	-	1 505 500
CapEx (purchase/sale)	-	-	15 000 000
Net financial expenses	- 476 850	- 403 658	- 304 288
Change in bank debt	- 1 142 856	- 1 142 856	- 5 714 288
Free cash flow to equity	725 187	1 378 818	12 781 129
Dividends	1 200 000	1 350 000	13 055 105
Est. free cash flow to equity (basis NAV)	7 %	14 %	128 %
Est. dividend yield (basis NAV)	12 %	13 %	130 %

EST. RETURN SENSITIVIES (BASIS NAV)

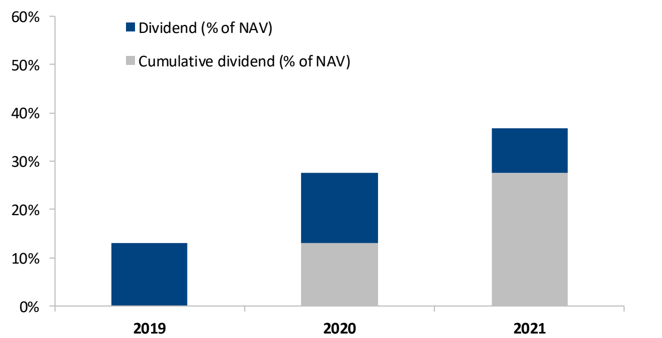
Comment	*Residual value*	*Date*	*IRR p.a.*	*Nominal return*
High case	20 000 000	24.10.2021	30 %	106 %
Base (per IM)	15 000 000	24.10.2021	18 %	56 %
Money back	9 050 000	24.10.2021	-1 %	-4 %
Comment	***Option price***	***Option date***	***IRR p.a.***	***Nominal return***

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash	719 970	245 157	273 976	-
Net working capital	934 000	1 505 500	1 505 500	-
Implied Vessel(s) value	16 351 886	15 871 927	15 391 968	-
Total assets	18 005 856	17 622 584	17 171 444	-
Long-term debt	8 000 000	6 857 144	5 714 288	-
Seller's credit	-	-	-	-
Value adjusted equity	10 005 856	10 765 440	11 457 156	-
Total equity and liabilities	18 005 856	17 622 584	17 171 444	-

ESTIMATED DIVIDEND YIELD (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



Ross Magdeburg AS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 7m	USD 47k	Pool	Pool	Container	31.12.2018

1,740 TEU Wenchong Container vessel trading in Leonhardt & Blumberg's C17-Pool

Project Broker	Business Manager	Secondhand trade
Petter F. Bøe	Martin Ranhoff	Axel Bendvold
(+47) 22 93 64 50	(+47) 22 93 63 41	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established		Jan-18
Currency		USD
Vessel(s) purchase price		4 700 000
Initial financing		
Long-term debt		2 400 000
Seller's credit		-
Equity		3 740 000
Project price		6 140 000
Equity		
Paid in equity		3 740 000
Paid in equity per 1 %		37 400
Accumulated dividends (since establishment) per 1 %		-
Accumulated dividends in % of paid in equity		0 %
Next estimated dividend per 1 %	Q3 2020	2 400
Last traded per 1 %	30.04.2018	55 000

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Maersk Broker	31.12.2018	6 500 000

VESSEL(S) INFORMATION

Name of vessel(s)	**Hansa Madeburg**
Type of vessel(s)	Feeder Container Vessel
Year built	2003
Ship yard	Guangzgou Wenchong Shipyard, PR China
Class	DNV GL
Flag	Liberia
Deadweight	23 428
Lightweight	8 550
TEU capacity	1 740
Reffer capacity	300
Cranes	2 x Cranes SWL 40 tons
Project Managers	
Managing Owner / Lead Investor	Lorentzen Skibs AS
Commercial Manager	Leonhardt & Blumberg GmbH
Technical Manager	Leonhardt & Blumberg GmbH
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Pool
Pool Operator	Leonhardt & Blumberg's C17-Pool

ESTIMATED NAV PER 31.12.2018

	High case	*Base case*	*Low case*
Vessel(s) value	**7 500 000**	**6 500 000**	**5 500 000**
Free cash		257 114	
Net working capital		386 709	
Total assets		7 143 823	
Long-term debt		2 400 000	
Seller's credit		-	
Total liabilities		2 400 000	
NAV	**5 743 823**	**4 743 823**	**3 743 823**
NAV per 1 %	57 438	47 438	37 438
Est. IRR p.a. since establishment	58 %	29 %	0 %
Est. nominal return since establishment	54 %	27 %	0 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income	2 445 285	2 804 582	2 741 250
Operating expenses	- 2 183 055	- 2 098 133	- 2 040 692
Dry dock / survey	-	-	-
Admin / start-up expenses	- 103 020	- 105 080	- 107 182
EBITDA	159 210	601 369	593 376
Change in net working capital	- 146 606	-	251 194
CapEx (purchase/sale)	-	-	6 753 600
Net financial expenses	- 109 001	- 94 969	- 89 868
Change in bank debt	- 300 000	- 300 000	- 1 800 000
Free cash flow to equity	- 396 397	206 399	5 708 302
Dividends	-	240 000	5 557 565
Est. free cash flow to equity (basis NAV)	-8 %	4 %	120 %
Est. dividend yield (basis NAV)	0 %	5 %	117 %
Avg. TCE p.d. assump. (gross)	*7 245*	*8 287*	*8 500*
On-hire days assumption per vessel	*360*	*361*	*344*

EST. RETURN SENSITIVIES (IRR P.A.) (BASIS NAV)

Comment	*Residual value*	*Date of sale*		
		31.12.2019	*31.12.2020*	*31.12.2021*
High Case	7 753 600	22 %	15 %	13 %
Base case (per IM)	6 753 600	1 %	6 %	7 %
Low case	5 753 600	-20 %	-5 %	0 %

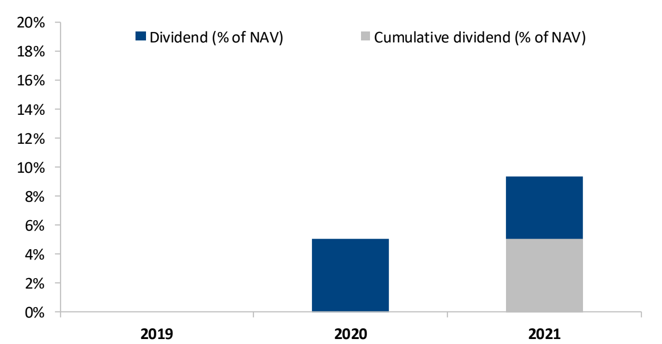
BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash	257 114	- 117 135	- 150 736	-
Net working capital	386 709	251 194	251 194	-
Vessel(s) value	6 500 000	6 585 724	6 671 448	-
Total assets	7 143 823	6 719 783	6 771 906	-
Long-term debt	2 400 000	2 100 000	1 800 000	-
Seller's credit	-	-	-	-
Value adjusted equity	4 743 823	4 619 783	4 971 906	-
Total equity and liabilities	7 143 823	6 719 783	6 771 906	-

Est. future IRR p.a. (basis NAV)	-3 %	5 %	7 %
Est. future nominal return (basis NAV)	-3 %	10 %	22 %

ESTIMATED DIVIDEND YIELD (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



Ross Wisconsin AS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 5.0m	USD 54k	BB	Q3 2023	MPP	31.12.2018

MPP vessel on long-term Bareboat contract to DS Multibulk call options and put option at the end

Project Broker	Business Manager	Secondhand trade
Tor Kildal	Martin Ranhoff	Axel Bendvold
(+47) 22 93 63 39	(+47) 22 93 63 41	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established			Jul-18
Currency			USD
Vessel(s) purchase price			5 000 000
Initial financing			
Long-term debt			-
Seller's credit			-
Equity			5 130 000
Project price			5 130 000
Equity			
Paid in equity			5 130 000
Paid in equity per 1 %			51 300
Accumulated dividends (since establishment) per 1 %			-
Accumulated dividends in % of paid in equity			0 %
Next estimated dividend per 1 %		Q1 2019	6 000
Last traded per 1 %			
Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s)	Purchase price	05.07.2018	5 000 000

VESSEL(S) INFORMATION

Name of vessel(s)	**DS Wisconsin**
Type of vessel(s)	MPP
Year built	2004
Ship yard	CSC Jiangdong Shipyard, China
Class	DNV GL
Flag	Antigua and Barbuda
Deadweight	12 782
Lightweight	5 262
TEU capacity	665
Cranes	2 x Cranes SWL 120 tons
Project Managers	
Managing Owner / Lead Investor	Lorentzens Skibs AS
Business Manager	Fearnley Business Management AS
Vessel(s) employment	
Charter party	Bareboat
Charterer	DS Multibulk
Current charter rate per day (gross)	2 650
Charter party expiry	05.07.2023

ESTIMATED NAV PER 31.12.2018

		Base case	
Return on equity requirement p.a.	**9 %**	**11 %**	**13 %**
Free cash		634 190	
Net working capital		-	
Implied vessel(s) value	4 987 384	4 754 227	4 495 644
Total assets	5 621 574	5 388 417	5 129 834
Long-term debt		-	
Seller's credit		-	
Total liabilities		-	
NAV	**5 621 574**	**5 388 417**	**5 129 834**
NAV per 1 %	56 216	53 884	51 298
Est. IRR p.a. since establishment	21 %	11 %	0 %
Est. nominal return since establishment	10 %	5 %	0 %

CASH FLOW FORECAST

Year	*2019E*	*2020E*	*2021E*
Operating income	967 250	969 900	967 250
Operating expenses	-	-	-
Dry dock / survey	-	-	-
Admin / start-up expenses	- 86 700	- 88 434	- 90 203
EBITDA	880 550	881 466	877 047
Change in net working capital	-	-	-
CapEx (purchase/sale)	-	-	-
Net financial expenses	-	-	-
Change in bank debt	-	-	-
Free cash flow to equity	880 550	881 466	877 047
Dividends	1 480 000	880 000	880 000
Est. free cash flow to equity (basis NAV)	16 %	16 %	16 %
Est. dividend yield (basis NAV)	27 %	16 %	16 %

EST. RETURN SENSITIVIES (BASIS NAV)

Comment	*Residual value*	*Date*	*IRR p.a.*	*Nominal return*
Call option (end year 5)	4 110 480	05.07.2023	16 %	61 %
Put option (end year 5)	2 772 000	05.07.2023	11 %	36 %

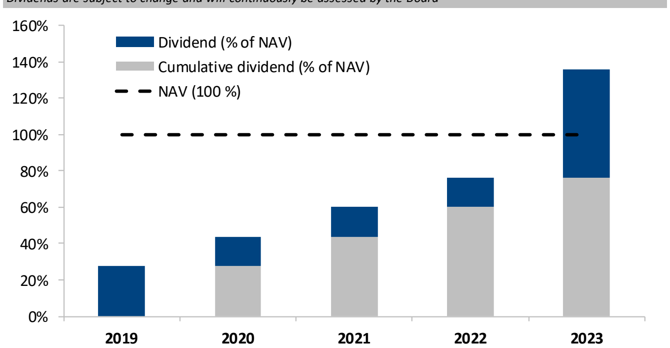
Comment	*Option price*	*Option date*	*IRR p.a.*	*Nominal return*
Call option (end year 3)	4 801 500	05.07.2021	19 %	45 %
Call option (end year 4)	4 554 000	05.07.2022	18 %	57 %
Call option (end year 5)	4 108 500	05.07.2023	16 %	61 %
Put option (end year 5)	2 772 000	05.07.2023	11 %	36 %

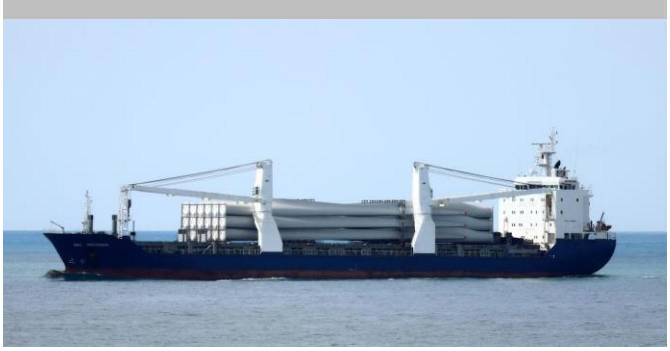
BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*	*31.12.2020E*	*31.12.2021E*
Free cash	634 190	34 740	36 206	33 254
Net working capital	-	-	-	-
Implied Vessel(s) value	4 754 227	4 315 088	3 875 949	3 436 810
Total assets	5 388 417	4 349 828	3 912 155	3 470 064
Long-term debt	-	-	-	-
Seller's credit	-	-	-	-
Value adjusted equity	5 388 417	4 349 828	3 912 155	3 470 064
Total equity and liabilities	5 388 417	4 349 828	3 912 155	3 470 064

ESTIMATED DIVIDENDS (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board





Thor Dahl Container DIS

Vessel(s) value	NAV per 1%	Charter party	Charter expiry	Segment	Date of analysis
USD 11.0m	USD 135k	BB / profit	Q4 2019	Container	31.12.2018

2 x 2,200 TEU container vessels on BB charter guaranteed by Thor Dahl Shipping AS and 50/50 profit split on earnings and asset values

Project Broker	Business Manager	Secondhand trade
Tor Kildal	Fredrik Andresen	Axel Bendvold
(+47) 22 93 63 39	(+47) 22 93 64 57	(+47) 22 93 63 46

PROJECT & COMPANY INFORMATION

Established		Dec-14
Currency		USD
Vessel(s) purchase price		15 000 000
Initial financing		
Long-term debt		-
Seller's credit		-
Equity		16 075 000
Project price		16 075 000
Equity		
Paid in equity		16 075 000
Paid in equity per 1 %		160 750
Accumulated dividends (since establishment) per 1 %		66 200
Accumulated dividends in % of paid in equity		41 %
Next estimated dividend per 1 %	Q1 2019	3 800
Last traded per 1 %	21.09.2018	134 500

Vessel(s) valuation	**Source**	**Date**	**Value**
Last valuation on vessel(s) (en bloc)	Maersk Broker	31.12.2018	11 000 000

VESSEL(S) INFORMATION

Name of vessel(s)	**Thorswind**	**Thorsky**
Type of vessel(s)	Feeder Container Vessel	Feeder Container Vessel
Year built	1999	1999
Ship yard	Flender Weft, Germany	Flender Weft, Germany
Class	DNV GL	DNV GL
Flag	Liberia	Liberia
Lightweight	8 877	8 877
TEU capacity	2 169	2 169
Reefer capacity	422	422
Cranes	2x 45 T + 2x 35 T	2x 45 T + 2x 35 T

Project Managers	
Managing Owner / Lead Investor	Thor Dahl Containerships VI AS
Business Manager	Fearnley Business Management

Vessel(s) employment	**Thorswind**	**Thorsky**
Charter party	Bareboat with profit split	Bareboat with profit split
Charterer	TDS Containerships VI AS	TDS Containerships VI AS
Current charter rate per day (gross)	2 450	2 450
Charter party expiry	29.12.2019	29.12.2019

ESTIMATED NAV PER 31.12.2018

		Base case	
Return on equity requirement p.a.	**5 %**	**7 %**	**12 %**
Free cash		113 426	
Net working capital		-	
Implied vessel(s) value	13 641 679	13 395 682	12 818 768
Total assets	13 755 105	13 509 108	12 932 194
Long-term debt		-	
Seller's credit		-	
Total liabilities	-	-	-
NAV	**13 755 105**	**13 509 108**	**12 932 194**
NAV per 1 %	137 551	135 091	129 322
Est. IRR p.a. since establishment	7 %	7 %	6 %
Est. nominal return since establishment	27 %	25 %	22 %

CASH FLOW FORECAST

Year	*2019E*
Operating income	1 778 700
Operating expenses	-
Dry dock / survey	-
Admin / start-up expenses	- 115 900
EBITDA	1 662 800
Change in net working capital	-
CapEx (purchase/sale)	12 636 500
Net financial expenses	-
Change in bank debt	-
Free cash flow to equity	14 299 300
Dividends	14 412 726
Est. free cash flow to equity (basis NAV)	106 %
Est. dividend yield (basis NAV)	107 %

EST. RETURN SENSITIVIES (BASIS NAV)

Comment	*Residual value*	*Date*	*IRR p.a.*	*Nominal return*
High (call option)	13 900 150	29.12.2019	17 %	16 %
Base (put option)	12 636 500	29.12.2019	7 %	7 %

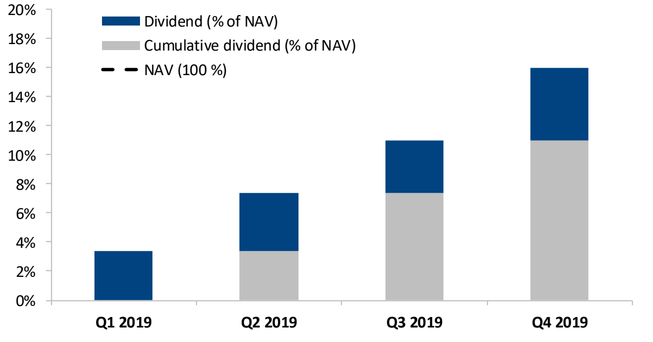
Comment	*Option price*	*Option date*	*IRR p.a.*	*Nominal return*
Call option (end of charter)	13 900 150	29.12.2019	17 %	16 %
Put option (end of charter)	12 636 500	29.12.2019	7 %	7 %

BALANCE SHEET FORECAST (VALUE ADJUSTED)

Date	*31.12.2018E*	*31.12.2019E*
Free cash	113 426	-
Net working capital	-	-
Implied Vessel(s) value	13 395 682	-
Total assets	13 509 108	-
Long-term debt	-	-
Seller's credit	-	-
Value adjusted equity	13 509 108	-
Total equity and liabilities	13 509 108	-

ESTIMATED DIVIDENDS (BASIS NAV)

Dividends are subject to change and will continuously be assessed by the Board



Fearnley Project Finance

MARKET COMMENTARY

Real Estate

The Transaction Market

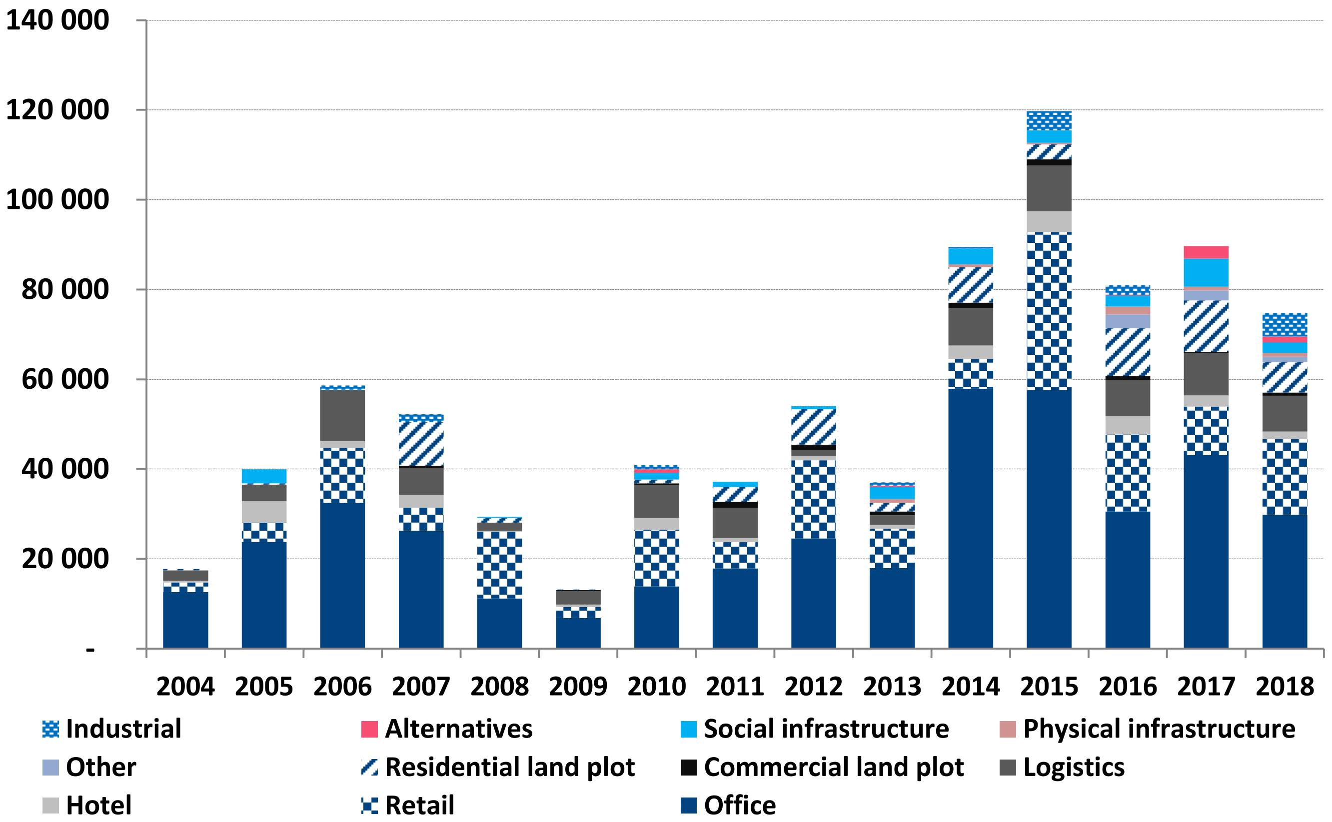
The commercial real estate transaction volume (deals above NOK 50 million) stand at around NOK 80 billion per medio January, with new fourth quarter deals being made public every day. The activity in the transaction market has been high and stable throughout 2018, and we have seen more of the larger deals (larger than 1bn NOK) than in 2017. The transaction volume for 2018 is estimated to close at NOK 80-85 billion, but uncertainty is high.

The activity in the Norwegian transaction market from foreign investors has remained strong during 2019. Foreign investors bought 18.2% of the total transaction volume and sold for 24.2% (one very large transaction explains the difference – Mongstad refinery at NOK 4 billion). New in 2018 is that foreign investors have been on both sides of several transactions, implying that international investors find it safe to buy properties already held by other well-known international investors.

The office prime yield estimate has remained stable at 3.75%, and the prime yield for office in fringe areas now stand at 4.25%. Going forward we expect to see upwards pressure on prime yields, due to expected higher interest rates. 2018 has shown, however, that interest rate growth does not immediately affect yields.

Some examples of larger deals in 2018:

- NIAM have sold Jåttåvågveien 10-12 located in Hinna, an attractive office area in Stavanger to American H.I.G Realty Partners for approximately NOK 1.7 billion.
- Starwood Capital have sold Helsfyr Atrium Tristian Capital Partners for NOK 1.2 billion.
- Asset Buyout Partners (ABP) have purchased Mongstad-base for approximately NOK 4 billion.
- Canica have sold Destilleriveien 11 to Storebrand Eiendom for approximately NOK 1.7 billion. Arcus lease the production and storage facility on a long lease.
- BaneNOR Eiendom sold Schweigaardsgate 33 on a ten-year contract with BaneNOR to a close-ended fund by DNB for approximately NOK 1.3 billion.
- A close-ended fund by Arctic have purchased Fyrstikkalléen 1-3 from J.B Ugland, Vedal and Otterlei Group for approximately NOK 1.92 billion.
- Joh. Johannson Eiendom have purchased ALNA shopping centre from Aspelin Ramm for approximately NOK 2 billion.



Market Commentary by AKERSHUS EIENDOM

Real Estate

The Oslo Office Market

Transaction market

The Oslo market have seen some decrease in activity, and the transaction volume for Oslo office properties is per mid-January at NOK 15.0 billion. Retail volume has gained momentum, while fewer office assets have switched hands. This is not to say that the interest in office property has declined, but rather that supply of large CBD or long-lease assets has been limited. Most notable for the Oslo market is the decrease in prime yield estimates for long-lease fringe office assets in late 2017 and early 2018.

Rental market

The Oslo rental market have performed well in 2018. Per Q3 the total volume of signed office space stand at approximately 460,000 sq. m., spread across 557 contracts compared to 470,000 sq. m. across 581 contracts per Q3 2017. Some notable new contracts signed during the year:

- Epicenter has signed 8 000 sq. m. in Pilestredet 33 owned by Oslo Areal
- Telia has signed 13 000 sq. m. in Økern Portal, owned by Oslo Pensjonsforsikring
- Spaces has signed 6 000 sq. m. in Apotekergata 10 owned by Aberdeen Asset Management
- Mnemonic has signed 5 900 sq. m. in Henrik Ibsens gate 100 owned by Höegh Eiendom
- Statens Vegvesen has signed 11 000 sq. m. in Fyrstikkalleèn 1 owned at the time by J.B Ugland, Vedal and Otterlei Group

Vacancy

The Oslo office vacancy have continued its downward trend in 2018 and stand at 5.5%, down from 6.6% at the beginning of the year. A vacancy of 5.5% translates to approximately 474,000 sqm. vacant office space.

We expect the vacancy to drop further towards 5% towards 2020 due to limited volumes of new office space entering the market and conversion of space to other purposes than office.

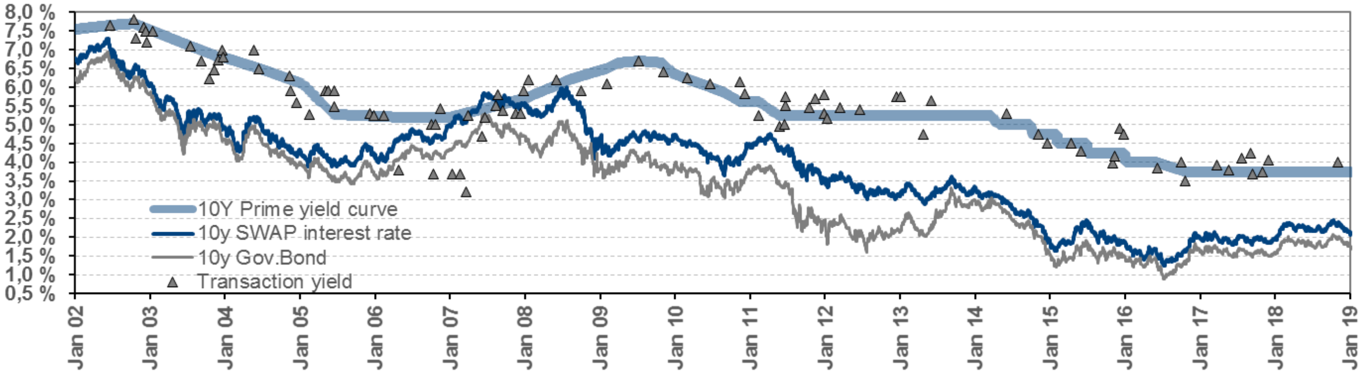
Vacancy in the CBD have dropped from 4.7% at year start and stand now at 3.3%. All CBD areas except Vika-Aker Brygge have experienced reduced vacancy. The vacancy at Lysaker have remained stable around 13% during 2018, while Fornebu have experienced a significant drop from 10.5% to 5.1%. The reduction in vacancy can be seen in relation to the reduced vacancy in Snarøyveien 36 and Fornebuporten.

The cost for prime office space have increased and now stand at NOK 4,500 per sq. m. per year, up NOK 300 since Q4 2017. The rise in prime rent is fuelled by a favourable economic environment, a robust demand and limited supply. The cost for good quality space in the CBD lie in the range NOK 3,300 to 4,500 per sq. m. per year. Going forward, the rent levels are expected to increase by 10-20% annually in the CBD areas due to low net supply of new office space and the positive sentiment in the Norwegian economy. The fringe areas are not expected to experience the same growth in rents, and especially the fringe areas to the east will see lots of new completed space over the next years, reducing the potential for rent growth.

A hot topic in 2018 is the increase in signed space by Flexible Office Space operators. These operators alone have signed above 20% of the total contracted volume in the CBD. The operators are hungry for more space, and we expect to observe high volumes signed by these going forward.

Interest Rates and Prime Transaction Yields 2002-2017

The curve indicates the 10-year government bond rate and the 10-year SWAP rate. The triangles represent time and sales yield for large Oslo office transactions since January 2002.



Market Commentary by AKERSHUS EIENDOM

Real Estate

The Greater Oslo Logistics Market

The prime rent for logistics space remained flat throughout 2018, standing at NOK 1 200 per sq. m. per year. The rental market for logistics in Oslo continue to stay strong with stable low vacancy, and the demand after modern logistics premises within the next 2 – 4 years is high. The vacancy per October lie at 3.4%, down from 4.2% per June 2018. Rent levels in good secondary areas lie in the interval NOK 800 – 1 000 per sq. m. per year for modern premises with good standard.

Per medio January 2019 the transaction volume for logistics lie at NOK 8.0 billion. Prime yield for an 10Y investment grade property is still at about 5%. Substantially longer leases can achieve lower yields. This estimate is relevant for properties located from Berger to Vinterbro.

Retail Market

The retail market is changing, and the Norwegian e-commerce channels continue to gain market shares, as retailers explore combinations of online and offline retail. The consumers are also changing, and going forward the millennials will play a larger role in how the future of retail will be shaped. Millennials prefer to spend money on leisure and F&B rather than things, and technology, innovation, experiences and entertainment are more important than ever in order to succeed.

The demand for good retail properties are still high, with several transactions in the high-street segment this year. Grensen 17, Karl Johans gate 16B and Kongens gate 31, Karl Johans gate 13 and Karl johans gate 17 are some of the properties that got new owners in 2018, underpinning the demand for prime assets. The transaction volume for retail properties per mid-January stand at NOK 16.8 billion and the prime yield estimate is stable at 3.75%.

The Big-Box retail market accounted for approximately NOK NOK 2.7 billion with the most notable transaction being the sale of Alna Big-Box shopping centre for approximately NOK 2 billion from Aspelin Ramm to Joh. Johanson Eiendom. The prime yield estimate is around 5% for investment grade assets.

The Residential Property Market

According to Eiendom Norge, Finn.no and Eiendomsverdi, the Norwegian residential prices rose by 2% Y-o-Y November. The growth is primarily fuelled by Oslo, where the nominal prices ended up 4.7% Y-o-Y. On the 20th of September, the central bank of Norway increased the key policy rate for the first time in seven years from 0.5% to 0.75% and indicates more increases in 2019. The lift in the key policy rate have led several of the major banks to increase the interest on mortgage loans, but this have yet to manifest itself in the observed housing prices.

Eiendom Norge's forecast a nominal increase of 3% for the Norwegian residential prices in 2019. The growth is mainly pegged to a stable positive development in the Norwegian economy, expected income growth and a continuously solid labour market. Dampening the positive effects is the expected increase in the key policy rate by the central bank of Norway, and the large supply or new apartments from completed new projects in the major cities throughout 2019, caused by the spike in sales in 2016 and early 2017.

The market for new homes

The average price for new dwellings in Norway increased from NOK 51,000 to NOK 54,700 per sq. m. (BRA) in 2018, which implies a growth in nominal prices of 7%. ECON – Nye Boliger's numbers (mostly larger projects) counted 15 232 new homes entering the market during the year, a reduction of 24% compared to 2017. The number of sold new dwellings amounted to 15 234, which is the same as in 2017. Other observers also see a reduction in activity close to 25%, but this will not be visible in the completion numbers until 2020.

Regional Markets

Bergen

The Bergen transaction market is still strong, and the volume year to date is NOK 8.4 billion including the acquisition of Mongstad Group. The prime yield estimate is now in the 4.5-4.75% interval for the best office assets.

The office rent levels have remained stable, a trend that is expected to continue the next twelve months. The prime rent for office is now around NOK 3 000 per sq. m. per year. In the longer run, rent levels are expected to experience upwards pressure.

Stavanger

Prime yield is stable at 4.5% for properties located in the CBD. For most transactions, the in the rest of the region, the normal yield levels continue to lie in the 7-8% interval.

While the most attractive objects in the CBD area experience some rental growth, and prime rent levels have reached NOK 3 200 per sq. m. per year, the rent levels in the region are still under pressure due to overall high office vacancy.

Market Commentary by AKERSHUS EIENDOM

Trondheim

The transaction market in Trondheim remain strong, however, there are currently more buyers than sellers in the region. Prime yield for the best office assets is table at 4.75%.

High quality office properties located in the city centre are attractive, and experienced increasing rent levels, while the rent levels in the fringe zones have remained stable. The prime office rent in Trondheim is now at NOK 2 200 per sq. m. per year.

Office vacancy has increased in the city during 2018 and stand now at 10.5%. Going forward the vacancy is expected to increase due to the high supply of new office properties in 2019.

The 2019 Outlook

For 2019, our forecast is for a still strong transaction market, as the investor sentiment has not shown signs of cooling off. Our current estimate for the 2019 volume is NOK 75 billion of property value – lower than the 2017 total, but still very high compared to earlier years. The rising interest rates should cause yields to rise slightly – our estimate is for a year-end prime yield 0.25%-points higher than today, meaning that a few objects might lose some value. Most will, however, benefit from a stable and solid loan market and a solid supply of equity for commercial property investments. Also, the observations from transactions in late 2018 indicate that buyers accept slightly lower returns on investment.

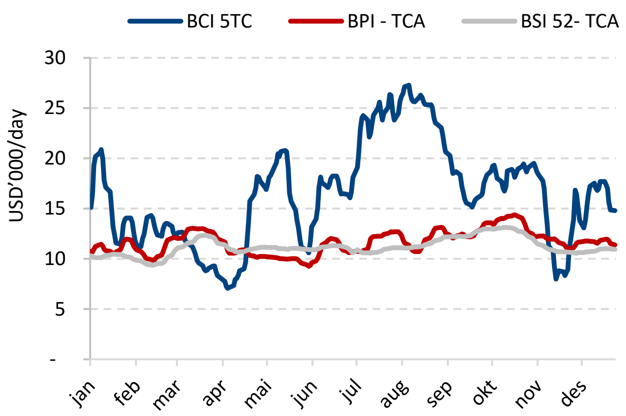
The relatively solid rental market is also an important reason for optimism about commercial property values. With GDP growth above 2% annually, the need for space in many segments have started rising, and CBD office rents in all major cities are trending upwards. Some segments still lag, such as fringe office rents, but declining overall vacancy helps cash flows rise still.

The argument can be made that Norway will be affected by an economic slowdown in Asia and the EU, which seems more likely as of year-end 2018. Still, the rise in oil investments will keep economic growth close to 2% also in 2019.

Dry Cargo

After a strong 2017, hopes and expectations were for an even better 2018 amongst most market participants. Indeed, the markets did end up averaging higher for the year as a whole, but the negative economic growth momentum we observed the last quarter of 2017 carried on into 2018 which in the end made for a more or less sideways market movement.

Baltic Indices, 2018

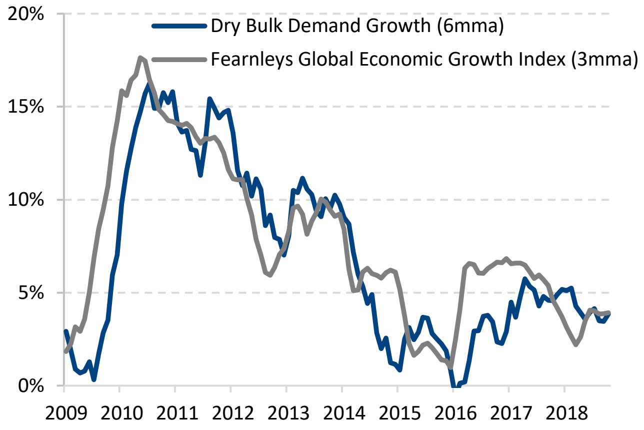


The first two months of the year started in normal fashion as seasonal factors pushed the spot markets down in January and February. However, come March there wasn't the improvement one usually sees, which surprised many market participants. Right at the beginning of March, iron ore, steel and coal prices dropped sharply due to a slowdown in the Chinese economy, sending the Capesize market plunging to USD 7,000/day by early April. This development came in the aftermath of the financial market turmoil of January and February which naturally raised concerns about the state of the global economy. However, at the start of April, there was a general rebound in growth rates as reflected by rising commodity prices and as the Capesize market surged to USD 20,000/day in just a few weeks. Then, during the Summer months, markets continued to rise with the Capesize index eventually hitting USD 27,000/day whereas the Panamax and Supramax markets started a steady climb that lasted until the start of October. Given all this, expectations were naturally high for what the seasonally strongest Q4 market might bring. Surprisingly though, markets went in the opposite direction of general expectations as Capes dropped to USD 8,000/day and Panamaxes and Supramaxes tumbled from USD 14/13,000/day to around USD 11,000/day.

Since 2009, the only other year where the market disappointed in the last quarter like it did in 2018 was in 2015. And, there was many similarities between 2018 and 2015 from the demand side and macro-economic side of things (although in 2015 things were generally worse). Both these years, China's credit growth rate had entered negative territory the year prior, warning of slower economic growth rates to come. Lower economic growth rates in turn lead to lower dry bulk demand growth rates, which was the main reason why the markets eventually disappointed. It must be mentioned in this regard that we do not consider "trade wars" to have been the reason for the economic downturn. Obviously, it was a negative in terms of putting a dent into the sentiment of market participants as well as hurting the soybean trade, but the cumulative reduction of China's outstanding "social financing" (the broadest measure of credit in China) totalled nearly 2 trillion Yuan between January and November – dwarfing the comparable monetary impact of the "trade wars".

DEMAND

Global Economic Growth vs Dry Bulk Demand Growth



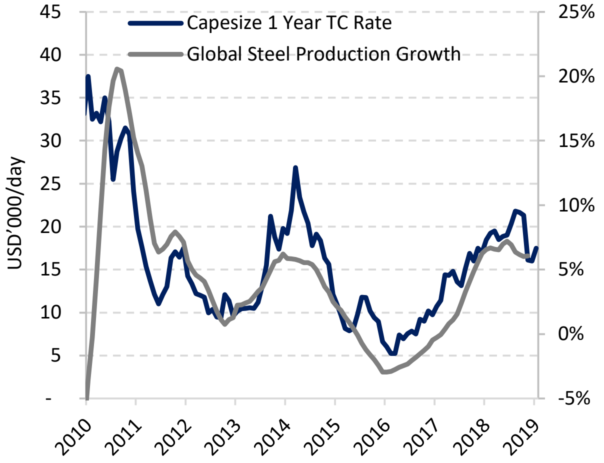
Despite the worsening macro-economic backdrop, the weakness in seaborne iron ore demand was very surprising given record high steel output globally and in China (coupled with lower domestic iron ore production in China). Data through November from World Steel shows that global steel production was 90,7 million tons higher than during the same period in 2017. This implies an increase in global iron ore demand of roughly 100 million tons, with China's implied iron ore demand growth also in the region of 100 million tons. Despite this, preliminary estimates for China's full year imports of iron ore shows it is set to end roughly 20 million tons lower than in 2017. There are two explanations for this, one is structural and the other is cyclical. The structural part of it is the increased use of scrap in steel production, which we estimate increased from 110 million tons in 2017 to 125 million tons in 2018. The cyclical part of it was stock draws, which in total was about 120 million tons when adding up stocks in ports and steel mills' inventories.

Dry Cargo

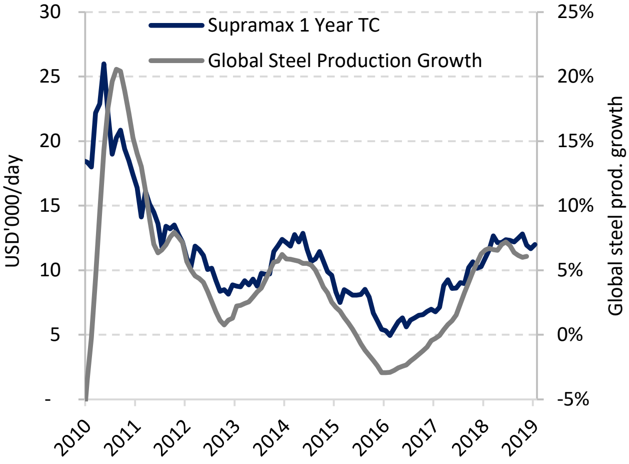
However, heading into 2019 it seems as if these negative factors will abate as scrap usage in China will likely stay around current rates and as steel mills inventories has been drawn to levels well below the average of the last 8 years. On the other hand, it also seems as if growth in steel production will slow to a crawl. Global output fell below 150 million tons in November, with steel prices and mills margins also falling notably the final months of the year. Moreover, China's steel PMI have been in contraction the last two months which haven't been seen since the start of 2016. Still, seaborne iron ore demand could very well return to growth in 2019 given the alleviation of the negative impacts of stock drawing and scrap use.

All in all, total demand growth for the three major commodities look send to end at 0% growth relative to 2017. Overall demand growth however, seems set to end at around 3%, meaning most of the contribution to growth came from minor commodities. Looking into 2019, it currently looks as if growth contributions from the different commodity groups will change. As we mentioned, iron ore trade growth could rebound whereas the outlook for grains are much better than it was in 2018. However, the economic slowdown does not seem likely to abate as we write this which is likely to negatively impact demand for coal and minor commodities.

Global Steel Production Growth vs Capesize Rates



Global Steel Production Growth vs Supramax Rates



Coal demand growth also lost momentum as 2018 progressed. In general, coal prices remained at high levels but traded sideways to downwards throughout the year. Preliminary estimates show global seaborne coal demand growth fell to 0,7% in 2018 – down from 6% in 2017. However, ton-mile growth has likely done a bit better seeing as exports from the US was the main contributor to the growth there was. Coal is the commodity that is most sensitive to changes in economic growth, so the earlier commented on similarities between 2018 and 2015 holds up well here seeing as coal demand grew by 0,7% in 2015 also.

Demand growth for grains and soybeans also fell, which was not down to the economic slowdown (historically, grains and soybeans demand growth has no correlation to cyclical changes in economic growth), but rather down to adverse weather conditions in all main producing regions. Cold weather and drought led to a huge reduction in crops, so preliminary estimates of seaborne demand show aggregate growth of agricultural products ended up contracting by 1,2% in 2018.

MV Tento

Sold by Atlantic Supramax AS in June 2018

Dolphin 57 supramax vessel

Realized unlevered IRR 28 % p.a.

Realized unlevered nominal return: 52 %

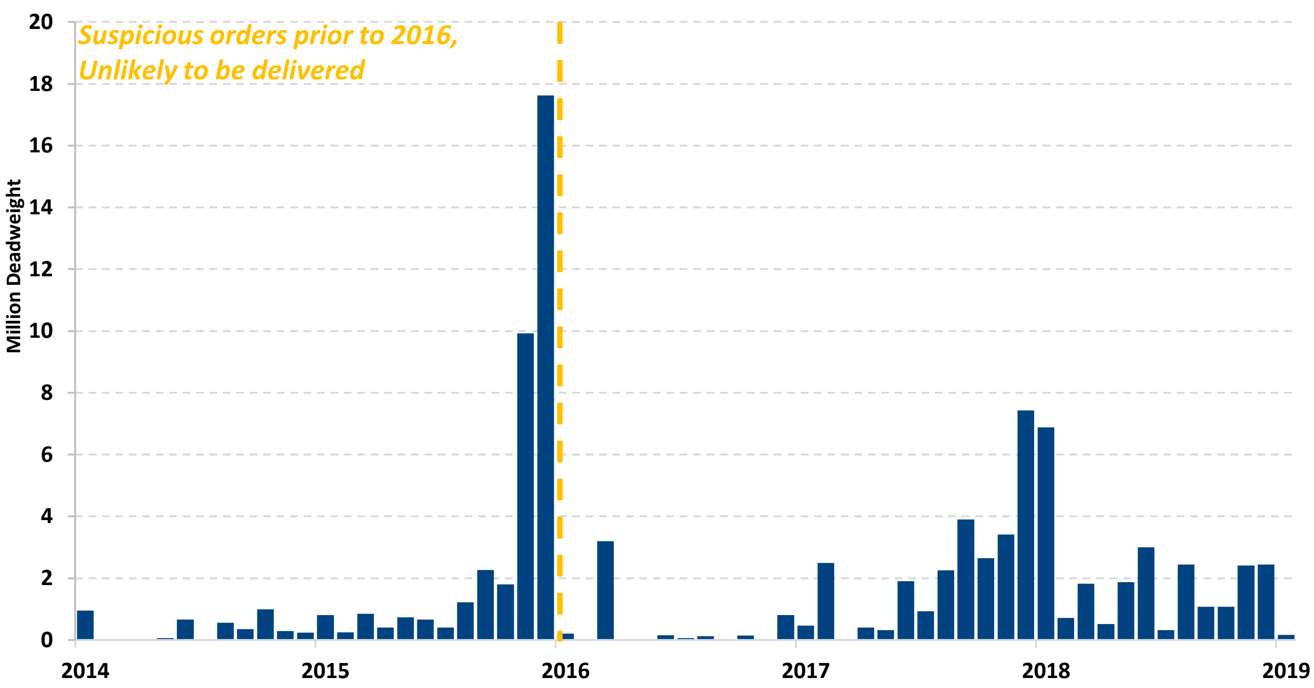
Dry Cargo

SUPPLY

Throughout 2018, year on year fleet growth was within a range of 2-3%. In January the growth rate was 2,5% which dropped to 2,1% between March and June before it started increasing towards the end of the year with both November and December growth at 2,9%. Scrapping was extremely low, ending at only 4,8 million deadweight – the lowest since 2007. The main reason for the low scrapping levels is that the share of the fleet older than 25 years makes up just 3,2% of the existing fleet. However, going forward the next years there will be an increase in scrap candidates as 5% of the fleet is between 24 and 20 years of age and 9% of the fleet is between 19 and 15 years of age. The big question for the next couple of years is of course how the sulphur cap will affect fleet utilization and scrapping, which all depends on fuel availability and fuel prices. If the effects become large, then we might have a situation where the majority of non-eco ships become scrap candidates (we consider all ships built prior to 2013 non-eco). Regardless of the eventual effects of the sulphur cap, fleet utilization in 2019 is going to fall due to the time it will take for installation of scrubbers, cleaning the tanks to get compliant by 1/1 2020 as well as deviation from usual trading routes due to the above. These effects will start to come into play in Q2 2019 and increase towards the end of the year, and will likely bring down effective fleet growth, but not by more than 1% in our estimation.

Deliveries ended at nearly 28 million deadweight in 2018, and the orderbook for 2019 indicate this will increase. At the start of January, the delivery schedule counts 51 million deadweight, but as is always the case actual deliveries will be lower than that. The reason why is because every vessel that has been assigned an IMO number is counted as being part of the orderbook, regardless of whether the "vessel" is actually just a steel plate lying in a shipyard warehouse. This, we believe, is the case for a large part of the orderbook as many orders were placed just prior to the start of 2016 in order to avoid the Tier II regulation. In our estimation as much as a third of the gross orderbook is made up of vessels falling in under this category. Additionally, the timing of a lot of these orders are suspicious in terms of whether they are "real orders" or not. The end of 2015 was the worst Dry Bulk market in history, so we doubt there was any capital available from owners or banks to fund so many newbuilding orders during that time. In view of this, we believe there will be a substantial amount of non-deliveries in 2019, with actual deliveries probably ending up around 35 million deadweight rather than the 51 million deadweight indicated by the IMO orderbook. We raise our scrapping estimates for 2019 relative to 2018 as well, but despite this it seems most likely that in 2019 fleet growth will stay around 2018 levels or increase by around 0,5%.

Orderbook as of January 2019, Broken down by date of order placement

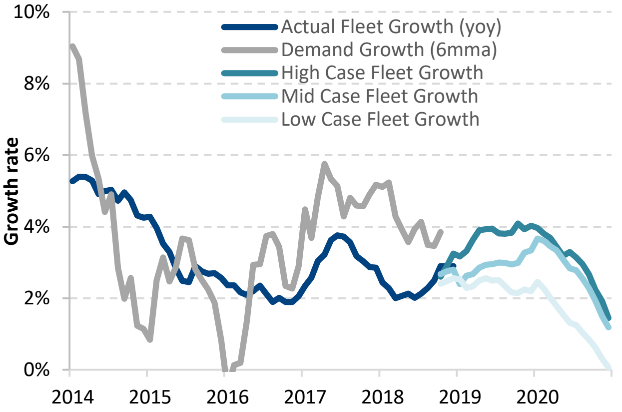


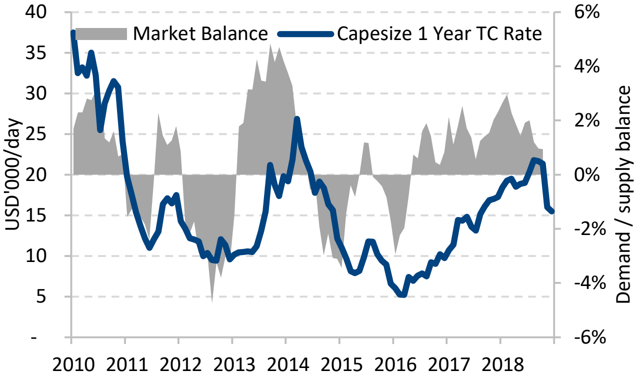
Dry Cargo

Order placements remain at extremely low levels. For 2018 in total we have registered about 25 million deadweight, down from 27 million deadweight in 2017. Order placements as a share of the existing fleet have thus been around the lowest level in history the last three years, which we mainly attribute to the reduction in bank financing by traditional European lenders. We do not expect a notable increase in ordering activity for 2019 either, as it seems bank financing are set to remain tight and as market sentiment have been hurt by the disappointing Q4 market developments. The extremely few order placements means fleet growth is most likely going to drop below 1% in both 2020 and 2021, perhaps even go negative on a year on year basis for some periods.

Our market view on 2019 is that it looks riskier on the downside than 2018 did given the ongoing economic slowdown coupled with a probable increase in fleet growth. The years following looks very interesting as fleet growth is set to drop below 1% which likely will be accompanied by a cyclical upturn in economic growth after a weak 2018 and 2019.

Bernhard Baardson
Consultant, Fearnresearch





MV Voge Julie – Owned by Njord Julie AS

Tanker

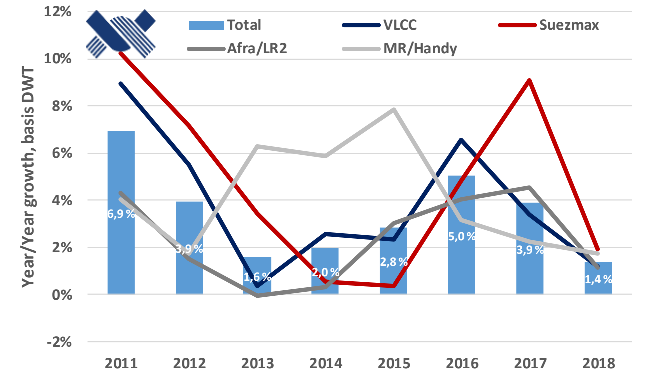
2018 was in last year's report forecast to be weak through much of the year, but with a likely recovery towards the end of the year as the fleet oversupply would fade and OPEC was expected to have ended its production cut – a reversal of the two factors that had caused the market to be under pressure since the summer of 2016. 2018 developed very much as expected, except it remain to be seen if the Q4'18 strength was the beginning of a cyclically stronger period for the tanker market through 2020, as forecast.

VLCC earnings, adjusted for the growing percentage of the fleet being fuel-efficient eco-ships, averaged $20,100, up 6.9% from an average $18,800/day in 2017. This was 11% higher than we had forecast for the year, as 2018 ended with an even stronger bounce than expected. Q4'18 VLCC earnings ended with a very strong average of $46,300, while rates had yielded about $10,000/day through first half of the year in comparison. Suezmax and Aframax earnings meanwhile averaged $17.300/day and $15.800/day, up 11.6% and 24.4% respectively from 2017. LR2s and LR1s earned an average $14.800/day and $13.600/day, while the MRs earned an average $13,400/day, basis 1-year time charter earnings – which usually captures real earnings and triangulation effects better than what the few single voyage quoted trades do. This was more or less unchanged from the year before for the product tanker segments. The lack of year/year improvement for product tanker earnings does however not mean that product tankers underperformed the crude tanker segments last year, but rather that the crude tankers caught up with the product tankers, after the latter outperformed crude tankers in 2017. MRs trading the Cont-USAC-USG-Cont RV earned an average $10,000/day last year, with a volatility ranging from a low around $2,000/day to a high of $33,000 day during the year. Overall, dwt adjusted tanker earnings ended at $17,200/day, a deviation/outperformance of 13.2% to Fearnresearch's forecast. Actual development had been on par with forecast through Q3, but once again, it was the even stronger than expected ending of the year that caused the outperformance eventually. The actual versus forecast deviation for overall dwt adjusted tanker earnings in 2017 was 4.5%.

SUPPLY

The total crude oil and product tanker fleet above 25.000 deadweight tons grew a net 1.4% in 2018, with the crude tanker fleet contracting -0.8% and the product tanker fleet growing 2.8%. This was off from 3.9% growth in 2017, as scrapping increased substantially in 2018 and year-end slippages caused actual deliveries to be well below what the gross orderbook had suggested – the latter being "as usual".

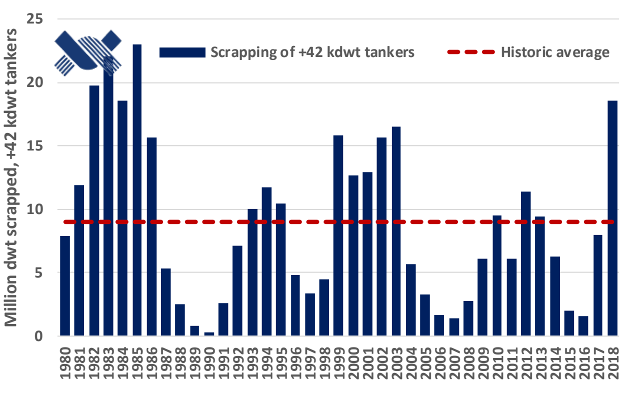
Net fleet growth for the key tanker segments



The LR2 fleet experienced the highest fleet growth, growing a net 5.9% through the year, but this was still less than the average 8.4% that the LR2 fleet has grown per year over the past 10 years. The small niche segment of uncoated Panamaxes had the biggest fleet contraction of -4.7%, while the Aframax fleet had -1.3% less tonnage available by the end of 2018. The Suezmax segment experienced a 1.9% growth, while the LR1 and MR/Handy product tanker segments experienced a 2.2% and 1.8% year/year growth respectively. The Aframax/LR2 segments combined, as they are highly correlated, grew 1.1%.

205 ships with a total dwt of 26.8 million was delivered by the yard industry throughout the year, down from 36.1 million dwt in 2017. Demolition of old ships meanwhile jumped from 8.8 million dwt in 2017 to 19.1 million dwt last year – the highest since the early- and mid-1980's, when the tanker market tried to clear the structural oversupply it had experienced over a 10-year period, and higher than any of the years that included the phase out of single hull tankers. Low earnings, an ageing fleet, good scrap prices and the new sulphur cap regulations that is likely to discriminate older fuel-thirsty ships more were the key drivers for the demolition sales.

Recycling of +42k dwt tankers, 1980-2018



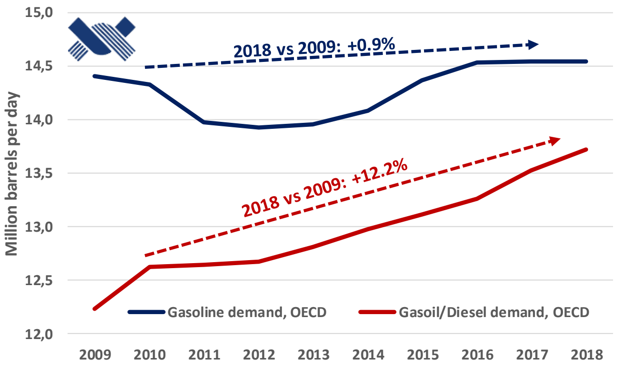
Tanker

DEMAND

Although it is too early in the new year to conclude on the demand and ton-mile development, preliminary data suggest that tanker demand started 2018 on the weak side, just to see it accelerate on the positive side throughout the year. Cargo liftings out of the main trading areas in the VLCC segment was down -3.4% year/year by the end of Q1, but this had turned to a growth of 3.2% year/year by the end of first half of the year. From there it continued to accelerate as OPEC started to come back from its production cut, and by the end of Q3 we noted a 5.7% growth, before Saudi Arabia in particular boosted exports in Q4'18 to prevent oil prices from reaching demand destructive levels – the latter causing VLCC cargo liftings by the end of the year to be 8.4% above 2017 level. The strongest growth, adjusted for volumes, was out of the Middle East but liftings out of the USG/Caribs and Brazil saw good year/year developments as well. The weak point was slower growth out of West Africa for Far East destinations.

The oil product market was changing last year as rapid growth in the production of light and gasoline/naphtha rich crude oils caused an oversupply in the gasoline market. This resulted in weak gasoline refinery margins, but also slower demand for gasoline and naphtha as a blending component from Europe to the U.S. market, and a strong development in arbitrage cargoes shipped from the Atlantic into the East market. Gasoil/diesel margins meanwhile strengthened substantially as gasoil rich medium and heavy grade crude oils became less available due to supply issues with many of the typical suppliers. The latter included Venezuela due to its political turmoil and lack of infrastructure maintenance over a long period of time, Mexico who struggles with high depletion, and Canada who struggles with exports infrastructure.

OECD demand for diesel versus gasoline



Adding to the mismatch between crude oil qualities available and refinery preferences was a continued strong demand growth in gasoil/diesel worldwide, while gasoline demand is more level. Consequently, these changed dynamics affected the product tanker market too, and more is likely going forward as Fearnresearch expects a gasoil shortage in the Atlantic basin as the IMO 2020 is implemented.

MV Atlantica Bridge – Owned by Atlantic Bridge AS

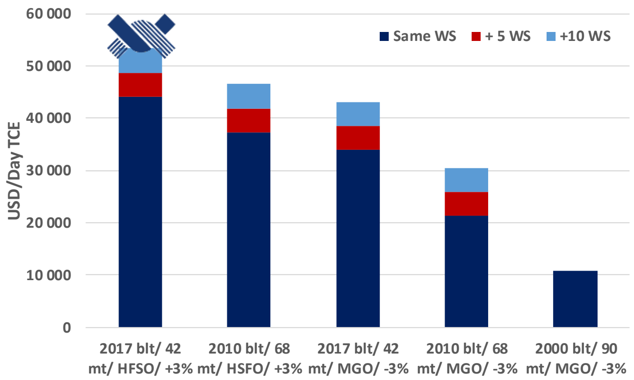
MV Atlantica Bay – Owned by Atlantica Bay AS

For the crude tanker fleet, Fearnresearch expects a continued trend of crude oils being traded from the Atlantic basin to the Far East, as the majority of new oil production is set to be commissioned in the Atlantic basin, while the majority of refinery additions will take place East of Suez. A trend experienced here since 2009 is thereby set to continue the next couple of years. A fuel oil surplus in the Caribs and Europe is already shipped East and with less demand for fuel oil in the Atlantic when IMO 2020 comes into effect, Fearnresearch expects a growing surplus in the Atlantic, that will be shipped to complex refineries, utilities, power plants and bunker hubs in the East as a waste product until Atlantic refineries have made costly upgrades. These upgrades usually take 3-5 years from FID to commissioning so a high fuel oil surplus in the Atlantic is very likely for a couple of years. As shipping consumes nearly 50% of the fuel oils available in the global market, and the number of scrubber systems to be installed remain limited, it is also likely with a contango/storage play in fuel oil from late 2019 into 2020. The latter may be beneficial for the tanker market balance.

Tanker

Fearnresearch therefore expects that the improving market conditions seen in Q4'18 will continue in much of 2019 into 2020. There will however be seasonality's also this year and fleet growth is expected to accelerate in Q1'19, as year-end 2018 slippages have added a substantial number of ships to the quarter's deliver schedule. Meanwhile, scrapping slowed towards the end of 2018 as earnings improved and is expected to remain slow early this year, before picking up again in Q2 and from there increasingly driven by the IMO 2020 regulatory change rather earnings. Furthermore, Fearnresearch expects slow demand in the early part of 2019, both caused by the OPEC production cut announced in December'18 and expectations of a big refinery maintenance turnaround in the spring as the refinery industry most likely will target a quick turnaround in second half of the year when ships start switching to predominantly diesel-based fuels.

VLCC TCE on various consumption and fuel types, basis the average Jul'19-Dec'22 fuel market forward curve

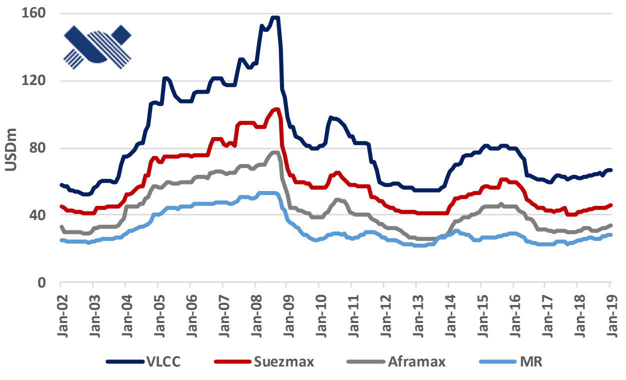


As the chart below (left) illustrates, older vessels with a higher fuel consumption are likely to be even more discriminated in the IMO 2020 market than in recent history, hence many from the high number of ageing ships are likely to be phased out if fuel prices end around the levels indicated by the forward curve at the time of writing

ASSET VALUES

Asset values experienced a good development throughout 2018, with MRs seeing the strongest development. 5-year old MRs jumped 16% in value while the crude tanker segments experienced a 7-12% improvement throughout the year. Newbuilding prices meanwhile improved around 10% year/year for all segments. Fearnresearch expects asset values to remain sideways in first half of the year before continuing on its strengthening trend from second half of 2019 into 2020, along with market earnings.

5-year old asset values



Dag Kilen
Senior Shipping Analyst, Fearnresearch

LR1 Product Tanker in a private deal arranged and managed by Fearnley Project Finance. Established in 2018

Offshore Supply

FRANKLY SPEAKING – SUMMARY 2018

Although it is true that the OSV market is moving quite slowly this downturn, at least it is mowing in the right direction. PSVs and AHTS saw slow- but continuous activity growth globally in 2018, up 7% from trough notation in the first half of 2017. There were large differences between regions however, and while some areas, including the North Sea and Brazil saw movement in both utilization as well as rate levels in 2018, others, such as US Gulf and South East Asia have seen little to no improvement when finishing 2018 compared to one year ago.

Furthermore, there was a clear bifurcation of vessel preference that emerged last year where more than 90% of supply vessels that were fixed on long-term charters were less than 15 years old. Combine that with the challenging average utilization overall and mostly yet-to-recover day rates, it became increasingly difficult to justify keeping older- and low-spec tonnage through last year. Just as we predicted last year, there were even more OSVs sold for scrap in 2018 than the record-breaking 143 we saw the year prior. By the end of 2018, we had registered close to 150 units that sailed for the last time, which puts the total amount since 2014 well in excess of 400 ships. Also worth mentioning in this regard, is that only 46 supply vessels were delivered in 2018, down almost 30% from 2017, and less than half the number of AHTS and PSVs that were scrapped.

In the North Sea terms rates for PSVs almost doubled prior to the summer season due to the mere expectation of higher activity. Although it was a development most welcomed by the shipowners, the summer failed to live up to the expectations and average utilization in the region remained in the 60 to low 70 % range all season, resulting in a disappointing spot market. September would then prove to be bring one final strong month, before winter metaphorically swept in and saw a number of ships returning to lay-up as activity slowed down. For AHTS owners it was a slow year all together only broken by isolated rate hikes never lasting for any significant duration of time. And while PSVs are primarily employed on long-term contracts, there is only two large AHTS on long-term contracts (at YE 2018). Furthermore, while the number of PSVs in lay-up in the North Sea was at its lowest in three years, the number of AHTS in lay-up were at its peak at the end of 2018. Our colleagues at Fearnley Offshore forecast a great deal more activity next summer, but going into 2019 we have very different expectations for these two ship types in the North Sea.

The tier 1 subsea companies' efforts to position themselves to offer integrated solutions, although only partly gaining traction during the first half of the year, seems to have worked. One chief indicator of this was that the book-to-bill ratio for these companies grew close to 1,2 during the third quarter of 2018 and was above 1 for three out of four quarters last year. Going forward, it is especially important to be well positioned when considering that both the number of contracts as well as the average scope size have started to grow again, breaking the negative development we saw between 2014 and 2017.

This has led to a growing number of vessel tenders, and 2018 finally saw the return of long-term contracts. Granted, the majority of multi-year contracts for subsea tonnage is still seasonally and/or project based, but this is an important development nonetheless and we see this reflected in increased vessel utilization. We further see appetite for such "pay as you go" deals evaporating among the owners group, which we take as a sign of growing confidents in the market going forward. The returning market balance has resulted in higher utilization than expected when we started the year but also increased rate levels for some vessel segments. This is especially true for construction vessels where alternative markets have added further demand for high-end SPS classed vessels.

MV Rem Aquarius – Owned by Rem Offshore II AS
Large PSV converted to a seismic node handling vessel
3 year TC to government back counterpart
Established in 2018

Offshore Supply

While on the subject of market balance though, it should be noted that the vast majority of these vessels are less than 15 years old, and as such, there is only a very moderate number of scrapping candidates left in the fleet after 2018. Therefore, further improvements to the shipowners' situation will have to come from increased demand. The good news in that regard is that we do in fact expect increased vessel demand going forward and thereby added pressure on rates.

At the start of 2018 our colleagues at Fearnley Securities believed that final investment decisions representing up to 200 subsea trees would be announced throughout the year. Now that we have moved on into 2019 we know that the total number awarded last year was actually 242, a drastic increase from the 155 trees awarded the year before. Furthermore, we expect this trend to persist, and the main takes from the Astrup Fearnley Day conference on the subject was that projects are getting larger, they are more geographically diverse, increased visibility on award timing, and increased water depths.

All-in-all, we feel that the tides are turning in the subsea sphere and that confident is slowly building up again. Given the beating experienced over the past years, we still see a race for utilization but with some vessel suppliers likely benefiting from not being "first pick" due to offering the lowest rates, but rather putting themselves in a bargaining position with few vessel alternatives

Jesper Skjong,
Analyst, Fearnley Offshore Supply

MV EDT Hercules – Owned by EDT Offshore
A bilateral loan arranged in 2018 by Fearnley Project Finance

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