MPC Container Ships ASA

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

Organisation number: 918 494 316

Listing of shares on Oslo Axess

This Prospectus (the "**Prospectus**") has been prepared by MPC Container Ships ASA, a public limited liability company incorporated under the laws of Norway (the "**Company**", and together with its subsidiaries, the "**Group**"), solely for use in connection with the listing of the Company's shares (the "**Shares**") on Oslo Axess (the "**Listing**").

The Company applied for the Shares to be admitted for trading and listing on the Oslo Axess on 22 December 2017, and the Company's listing application was approved by the board of directors of Oslo Børs on 25 January 2018. Prior to the Listing, the Shares have been admitted to trading on Merkur Market, a multilateral trading facility operated by Oslo Børs ASA. The first day of trading on Oslo Axess is expected to be on or about 29 January 2018.

DNB Markets, a part of DNB Bank ASA, and Fearnley Securities AS (the "**Managers**") have acted as the Company's financial advisor in connection with the Listing.

The Shares are registered in the Norwegian Central Securities Depository (the "**VPS**") in book-entry form. All Shares rank pari passu and carry one vote each.

Prospective investors should read this Prospectus in its entirety. Investing in the Shares involves a high degree of risk. See Section 2 "Risk Factors".

This Prospectus does not constitute an offer or an invitation to buy, subscribe or sell the securities described herein, and the Prospectus relates solely to the Listing.

Managers

DNB Markets,
a part of DNB Bank ASA

Fearnley Securities AS

The date of this Prospectus is 25 January 2018

IMPORTANT INFORMATION

This Prospectus has been prepared solely for use in connection with the Listing. Please see Section 17 "Definitions and glossary" for definitions of terms used throughout this Prospectus.

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 No. 75 (the "**Norwegian Securities Trading Act**") and related secondary legislation, including the Commission Regulation (EC) No. 809/2004 implementing Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 regarding information contained in prospectuses, as amended, and as implemented in Norway (the "**Prospectus Directive**"). This Prospectus has been prepared solely in the English language. The Financial Supervisory Authority of Norway (the "**NFSA**") has reviewed and approved this Prospectus in accordance with sections 7-7 and 7-8 of the Norwegian Securities Trading Act on 25 January 2018 and the Prospectus is valid for 12 months from the date of approval. The NFSA has not controlled or approved the accuracy or completeness of the information given in this Prospectus. The approval given by the NFSA only relates to the information included in accordance with pre-defined disclosure requirements. The NFSA has not made any form of control or approval relating to corporate matters described or referred to in this Prospectus.

The Company has engaged DNB Markets, a part of DNB Bank ASA, and Fearnley Securities AS as Managers. The Managers are acting for the Company and no one else in relation to the Listing. The Managers will not be responsible to anyone other than the Company for providing the protections afforded to clients of the Managers or for providing advice in relation to the Listing. In the ordinary course of their business, the Managers and certain of their respective affiliates have engaged, and may continue to engage, in investment and commercial banking transactions with the Company and its subsidiaries.

No person is authorised to give information or to make any representation concerning the Company or in connection with the Listing other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or the Managers or by any of the affiliates, advisors or selling agents of any of the foregoing.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. The Company and the Managers require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation to buy, subscribe or sell the securities described herein, and no securities are being offered or sold pursuant to this Prospectus in any jurisdiction.

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. In accordance with section 7-15 of the Norwegian Securities Trading Act, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the time of approval of this Prospectus by the NFSA and the Listing, will be included in a supplement to this Prospectus. The publication of this Prospectus does not under any circumstances create any implication that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

Neither the Company, the Managers, any of their respective affiliates, representatives, advisers or selling agents, are making any representation to any offeree or purchaser of the Shares regarding the legality or suitability of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

Investing in the Shares involves a high degree of risk. See Section 2 "Risk factors".

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Company's shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions. The members of the Company's board of directors (the "**Board Members**" and the "**Board of Directors**", respectively) and the members of the senior management of the Group (the "**Management**") are not residents of the United States, and all of the Company's assets are located outside the United States. As a result, it may be difficult for investors in the United States to effect service of process on the Company or its Board Members and members of Management in the United States or to enforce in the United States judgments obtained in U.S. courts against the Company or those persons, including judgments based on the civil liability provisions of the securities laws of the United States or any State or territory within the United States. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its Board Members or members of Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its Board Members or members of Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway. The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters.

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Appendix A *Articles of Association*

Appendix B *Audited consolidated financial statements as of 30 September 2017*

1. SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A–E (A.1–E.7) below. This summary contains all the Elements required to be included in a summary for this type of securities and the issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A – Introduction and Warnings

A.1 Warning	This summary should be read as an introduction to the Prospectus. Any decision to invest in the Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation in its Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or in case it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2 Resale or final placement of securities by financial intermediaries	Not applicable. Financial intermediaries are not entitled to use this Prospectus for subsequent resale or final placement of securities.

Section B - Issuer

B.1 Legal and commercial name	The legal and commercial name of the Company is MPC Container Ships ASA.
B.2 Domicile/Legal form/Legislation/Country of incorporation	MPC Container Ships ASA is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act. The Company was incorporated as MPC Container Ships AS in Norway on 9 January 2017 and changed its legal form into MPC Container Ships ASA on 16 January 2018. The Company's registration number in the Norwegian Register of Business Enterprises is 918 494 316.

B.3	***Current operations, principal activities and markets***	The Company's principal business is to invest in and operate maritime assets in the container shipping segment. As a dedicated owner and operator of container ships, the Company has a focus on feeder vessels, mainly between 1,000 and 3,000 TEU, that are chartered out to liner shipping companies and regional carriers.
B.4a	***Significant recent trends affecting the issuer and the industry in which it operates***	The Group's result of operations has been, and will continue to be, affected by a range of factors, many of which are beyond the Group's control. The key factors that have had a material effect on the Group's results of operations during the period covered by the Company's historical financial information, as well as those considered likely to have a material effect on its results of operations in the future, are described below: *Macroeconomic and shipping market conditions:* Changes in global and regional economic activity may impact the demand for containerized transportation of goods. Therefore, the demand for, and the pricing of the underlying assets are outside of the Company's control and depend, among other things, on global economic output in industrial and developing countries as well global and regional trade growth. The current macroeconomic situation is uncertain and there is a risk of negative developments. Such changes and developments – none of which will be within the control of the Company – may negatively impact the Group's performance and investor returns. Moreover, the demand for the Group's assets depends on the future organization and network configurations of maritime supply chains and, including, but not limited to, consequences of cascading effects on the container feeder segment. On the supply side, uncertainties are tied to ordering of new feeder container vessels and the scope of future scrapping of tonnage. *International operations:* The Group's container vessels operate in a variety of geographic regions. Consequently, the Group may be exposed to political risk, risk of piracy, sanctions and blacklisting, corruption, terrorism, outbreak of war, amongst others. The financial condition and results of operations of the Group may be negatively affected if such events do occur. *Technical factors:* The technical operation of container vessels has a significant impact on the vessels' economic life expectations. Failure to adequately maintain the technical operation of a vessel may adversely impact the operating expenses of the Group's fleet of container vessels and accordingly the potential realization values that can be obtained. The Group is dependent on the performance of the parties tasked with operating a vessel or overseeing

	such operation and there can be no guarantee that maintenance of the Group's container vessels is performed according to agreement or satisfaction and in compliance with budgets for operational expenses and maintenance investments. Inadequate technical maintenance also influences the availability of vessels in the charter market. Technological advancements as well as regulatory requirements may require additional expenditures, impacting the financial performance of the Group. *Availability of investments:* Suitable container vessels may not always be available at a particular time and the Group may be competing for appropriate investment opportunities with other participants in the market. It is possible that the level of such competition may increase, which may reduce the number of opportunities available to the Company and/or adversely affect the terms upon which such investments can be made by the Company.
B.5 The Group	MPC Container Ships ASA is the parent company of the Group.
B.6 Persons having an interest in the issuer's capital or voting rights	As of the date of this Prospectus, the Company has 258 shareholders. The Company has only one class of Shares. There are no differences in voting rights between the Shares. With effect from listing of the Shares on Oslo Axess, shareholders with ownership exceeding 5% must comply with disclosure obligations pursuant to the Norwegian Securities Trading Act, Section 4-3. The Company is not aware of any persons or entities, except for those set out below, who, directly or indirectly, have an interest of 5% or more of the Shares as of the date of this Prospectus. The following persons or entities have given notice of an interest of 5% or more of the Shares in the Company: • A total of 12,947,500 Shares, equal to 19.8% of the Shares, are held by Spike Star Limited and managed by Star Capital Partnership LLP (in its capacity as an investment manager). • A total of 9,951,000 Shares, equal to 15.3% of the Shares, are held by CSI Beteiligungsgesellschaft mbH representing the founding shareholders. • A total of 3,539,500 Shares, equal to 5.42% of the Shares, are managed by FIL Limited (in its capacity as an investment manager for two shareholders). The Company is not aware of any arrangements the operation of which may at a subsequent date result in

	a change of control of the Company.
B.7 Selected historical key financial information	The selected historical key financial information as set out below has been derived from the Company's audited consolidated financial statements for the period from the date of incorporation of the Company (9 January 2017) to 30 September 2017, prepared in accordance with IFRS as adopted by the EU. The Company is a start-up entity with limited financial history as of 30 September 2017. The first vessels were taken over by the Company and commenced operations in April 2017. Accordingly, the Company's historical consolidated financial information may be of limited relevance for the current and expected future operations. Amongst others things, time charter revenues and operating expenses will increase significantly due to the expected increase in the volume of operations.

Consolidated statement of comprehensive income

The table below sets out selected data extracted from the Company's audited consolidated income statement and statement of comprehensive income as of 30 September 2017.

in USD thousands, unless otherwise stated	**Period from incorporation to 30 September 2017** (audited)
Operating revenues	8,219
Commissions	-251
Vessel voyage expenditures	-1,329
Vessel operation expenditures	-5,093
Ship management fees	-421
Gross profit	**1,125**
Administrative expenses	-850
Depreciation and impairment	-1,295
Other expenses	-90
Other income	395
Operating result (EBIT)	**-716**
Share of profit or loss from joint venture	470
Other finance income	214
Finance costs	-240
Profit/Loss before income tax (EBT)	**-272**
Income tax expenses	-64
Profit/Loss for the period	**-336**
Attributable to:	
Equity holders of the Company	-337
Minority interest	1

Consolidated balance sheet

The table below sets out selected data extracted from the Company's audited consolidated statement of financial position as of 30 September 2017.

in USD thousands, unless otherwise stated	As of 30 September 2017 (audited)
Assets	**277,243**
Non-current assets	149,926
Vessels	133,456
Financial assets	16,470
Current assets	127,317
Inventories	966
Trade and other receivables	4,066
Cash and cash equivalents	122,284
Unrestricted cash	25,426
Restricted cash	96,858
Equity and liabilities	**277,243**
Equity	175,010
Ordinary shares	170,909
Share capital	40,836
Capital reserves	130,073
Retained earnings	-378
Other comprehensive income	89
Minority interest in equity	4,391
Non-current liabilities	96,419
Interest bearing loans	96,419
Current liabilities	5,814
Interest bearing borrowings	133
Provisions	1,364
Trade and other payables	3,469
Payables to affiliated companies	254
Other liabilities	591

Consolidated cash flow statement

The table below sets out selected data from the Company's audited consolidated statement of cash flow as of 30 September 2017.

in USD thousands, unless otherwise stated	Period from incorporation to 30 September 2017 (audited)
Net income	-272
Income tax expenses	-64
Net change in provisions	1,364
Net change in current assets	-5,033
Net change in current liabilities	4,447
Depreciation	1,295
Cash flow from operating activities	**1,737**
Purchase of vessels	-131,187
Purchase of long-term financial assets	-16,470
Investment in vessels	-3,564
Cash flow from investing activities	**-151,220**
Proceeds from share issuance	180,576
Share issuance costs	-5,214
Proceeds from debt financing	100,000
Debt issuance costs	-3,581
Cash flow from financing activities	**271,781**
Net change in cash and cash equivalents	122,299
Net foreign exchange differences	-16
Cash and cash equivalents at beginning of period	0
Cash and cash equivalents at the end of period	**122,284**

Consolidated statement of changes in equity

The table below sets out selected data from the Company's audited consolidated statement of changes in equity from the date of incorporation to 30 September 2017.

in USD thousands, unless otherwise stated	**Share capital** (audited)	**Share premium** (audited)	**Retained earnings** (audited)	**Other reserves** (audited)	**Minority interest** (audited)	**Total equity** (audited)
Incorporation	3					**3**
Share issuance	40,832	135,287			4,389	**180,508**
Share issuance costs		-5,214				**-5,214**
Result of the period			-336		1	**-335**
Foreign currency effects			-42		1	**-41**
Other comprehensive income				89		**89**
Equity as at 30 Sept 2017	**40,835**	**130,073**	**-378**	**89**	**4,391**	**175,010**

B.8	***Significant change to the issuer's financial condition and operation result***	There has been no significant change to the Company's financial condition and operation result since 30 September 2017, except for the private placement executed on 23 November 2017 in which the Company raised USD 175 million before equity offering costs. In addition, the Group has entered into agreements to acquire 19 feeder container vessels for a total purchase price of USD 209 million.
B.9	***Selected key pro forma financial information***	Not applicable. The Prospectus does not contain pro forma financial information.
B.10	***Profit forecast or estimate***	Not applicable. The Prospectus does not contain any profit forecasts or estimates.
B.11	***Qualifications in the audit report on the historical financial information***	Not applicable. There are no qualifications in the audit reports.
B.12	***Working capital***	As of the date of this Prospectus, the Company is of the opinion that the working capital available to the Group is sufficient for its present requirements and for at least the next 12 months from the date of this Prospectus.

Section C - Securities

C.1	***Type and class of securities admitted to trading and identification number***	All shares issued in the Company are equal in all respects. The Company has only one class of shares. The shares are issued in accordance with the laws of Norway and registered in VPS with ISIN NO001 0791353.
C.2	***Currency***	The Shares are denominated in Norwegian Kroner (NOK).
C.3	***Number of shares and par value***	The Company's current share capital is NOK 652,530,000 divided in 65,253,000 issued shares, each

	with a nominal value of NOK 10.
C.4 Rights attached to the securities	The Company has one class of shares, and each Share carries one vote and has equal rights to dividend. All the Shares are validly issued and fully paid. All of the Company's shareholders have equal voting rights.
C.5 Restrictions on free transferability	The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal upon a transfer of Shares. Share transfers are not subject to approval by the Board of Directors. The Shares controlled by the founding shareholders, i.e. companies affiliated with the MPC Group, owning 15.3% of the Company's Shares, are subject to a lock-up. The lock-up period is until the later of (i) 20 April 2018 or (ii) six months after admission to trading on Oslo Axess.
C.6 Admission to trading	On 22 December 2017, the Company applied for admission to trading of the Shares on Oslo Axess. The board of directors of Oslo Børs approved the listing application on 25 January 2018.
C.7 Dividend policy	The Company's intention is to pay regular dividends in support of its objective of maximising returns to shareholders. The timing and amount of dividends is at the discretion of the Board of Directors. Any future dividends proposed will depend upon the Group's financial position, earnings, debt covenants, distribution restrictions, capital requirements, investment opportunities, and other factors. Dividends will be proposed by the Board of Directors for approval by the General Meeting. There are no current estimates regarding the potential future dividend level or timing of dividend payments and there can be no assurance that dividends will actually be proposed or declared.

Section D - Risks

D.1 Key information on the key risks that are specific to the Issuer or its industry	The key risks relating to the Group and the industry in which it operates are the following: • Shipping operations may be affected by conditions beyond the Group's control such as harsh weather, capsizing, groundings, collisions, engine problems, technical problems and navigation errors which may result in loss of or damage to the Group's vessels, damage to property and damage to the environment or persons. Such events may lead to the Group being held liable for substantial amounts by injured parties, their insurers and public governments. • The container shipping industry is cyclical with attendant volatility in charter rates and

	profitability. No assurances can be made that the Group will be able to successfully employ its vessels in the future or renew existing employment agreements (including charters and pool agreements) at rates sufficient to allow it to meet its obligations. • Due to the lack of diversification in the Group's lines of business, an adverse development in the Group's container business, or in the container shipping industry, generally would have a significant impact on the Group's business, financial condition and results of operations. • The technical operation of a vessel has a significant impact on the vessel's economic life and technical risks will always be present. Failure to adequately maintain the technical operation of a vessel may adversely impact the operating expenses and other costs of the fleet owned by the Group and accordingly the potential realization values that can be obtained. • The Group will make investments in assets that are illiquid and not traded on any regulated market, and there can be no assurance that the Group will manage to achieve a successful realisation of its investments. • Any operational downtime of the Group's vessels or any failure to secure employment for any vessel at satisfactory rates will affect the Group's results. Furthermore, off-hire due to technical or other problems to any vessel could be materially disruptive to the Group's financial results. • The timing and costs of repairs on the Group's ships are difficult to predict with certainty, may be substantial and might not be covered by insurance. Large repair expenses and repair time may have a material adverse effect on the Group's business, financial condition, results of operation and liquidity. • Risks may arise for which the Group is not or not adequately insured. Any particular claim may not be paid or not paid in time by the Group's insurance and any claims covered by insurance would be subject to deductibles, the aggregate amount of which could be material. • The Group is reliant on the performance of ship managers. There can be no assurance that such ship management will operate successfully. • The Group is exposed to risks regarding the

	correct application of the tax regulations and possible changes in legal, tax and regulatory regimes within the relevant jurisdictions in which the Group operates may have an adverse effect on the Group. • The Group may require additional capital in the future due to unforeseen liabilities, repayment of financing obligations or in order to take advantage of business opportunities, among others. There can be no assurance that the Group will be able to obtain necessary financing in a timely manner on acceptable terms. • The Group may be unable to repay its financial obligations when they mature. • Charter hire is normally payable in USD and the value of the Group's vessels is normally denominated in USD. The Group's container vessels operate on a worldwide basis and, as a result, incur costs in currencies other than USD. Thus, currency fluctuations may affect both the Group's and consequently the investors' return, book value and value adjusted equity of subsidiaries in other currencies than USD. • Any changes in the interest rate would directly affect the returns on the financed investments. Interest rate levels can also indirectly affect the value of the assets at the point of sale, which will impact the value of the Group's portfolio. • The Group's risk management policies and procedures may leave it exposed to unidentified or unanticipated risks. Should any of these risks materialise, individually or together with other circumstances, they could have a material and adverse effect on the Group and/or its business, financial condition, results of operations, cash flows and/or prospects, which could cause a decline in the value and trading price of the Company's Shares, resulting in the loss of all or part of an investment in the Company's Shares.
D.3 Key information on the key risks that are specific to the securities	The key risks relating to the Listing are the following: • The trading volume and price of the Shares could fluctuate significantly. • Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares. • Future sales, or the possibility of future sales, of substantial numbers of Shares could affect the Shares' market price.

	• Pre-emptive rights to subscribe for Shares in additional issuances could be unavailable to U.S shareholders or other shareholders. • Investors could be unable to exercise their voting rights for Shares registered in a nominee account. • The Group's ability to pay dividends in accordance with its dividend policy is dependent on the availability of distributable reserves and distribution restrictions and the Group may be unable or unwilling to pay any dividends in the future. • Exchange rate fluctuations could adversely affect the value of the Shares and any dividends paid on the Shares for an investor whose principal currency is not NOK. • Market interest rate could influence the price of the Shares. An active trading market on Oslo Axess may not develop. The Company is currently listed at Merkur Market, but prior to the expected listing on Oslo Axess; the Shares have not been traded on a regulated market.

Section E - Offer

E.1	***The total net proceeds of the Offering and an estimate of the total expenses***	Not applicable. The Company will not receive any proceeds as there will be no offering of Shares in connection with the Listing.
E.2a	***Reasons for the Offering and use of proceeds***	Not applicable. There will be no offering of Shares in connection with the Listing.
E.3	***Terms and conditions of the Offering***	Not applicable. There will be no offering of Shares in connection with the Listing.
E.4	***Material interests in the Offering***	Not applicable. There will be no offering of Shares in connection with the Listing.
E.5	***Selling shareholders and lock-up agreements***	Not applicable. There will be no offering of Shares in connection with the Listing. Lock-up agreements are mentioned in C.5 "Restrictions on transfer" above.
E.6	***Dilution resulting from the Offering***	Not applicable. There will be no offering of Shares in connection with the Listing.

E.7 Estimated expenses charged to investor	Not applicable. There will be no offering of Shares in connection with the Listing.

2. RISK FACTORS

An investment in the Company and the Shares involves inherent risks. Before making an investment decision with respect to the Shares, investors should carefully consider the risk factors set forth below and all information contained in this Prospectus, including the Financial Statements and related notes. The risks and uncertainties described in this Section 2 are the principal known risks and uncertainties faced by the Company as of the date hereof that the Company believes are relevant to an investment in the Shares.

An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described in that risk factor are not a genuine potential threat to an investment in the Shares. If any of the following risks were to materialise, individually or together with other circumstances, they could have a material and adverse effect on the Company and/or its business, financial condition, results of operations, cash flows and/or prospects, which could cause a decline in the value and trading price of the Shares, resulting in the loss of all or part of an investment in the Shares.

The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the Company's business, financial condition, results of operations, cash flows and/or prospects. The risks mentioned herein could materialise individually or cumulatively.

2.1 General

The Group will invest in and operate assets in the container shipping sector which are subject to significant risks. An investment in the Company will involve a high risk, including potentially a loss of the entire investment. The investor's return will be related to the Group's return and will primarily depend on whether the Group will be able to implement its strategy and achieve its investment objectives, as well as the general development in the container shipping sector and the financial markets.

2.2 Market related risks

2.2.1 Macroeconomic conditions

Changes in national and international economic conditions, including, for example interest rate levels, inflation, employment levels, may influence the valuation of real and financial assets. In turn, this may impact the demand for goods, services and assets globally and thereby the macro economy. The current macroeconomic situation is uncertain and there is a risk of negative developments. Such changes and developments – none of which will be within the control of the Group – may negatively impact the Group's operating and investment activities, realization opportunities and overall investor returns.

2.2.2 Charter market risk

The container shipping industry is highly cyclical with attendant volatility in charter rates and profitability. Fluctuations in charter rates result from changes in the supply and demand for vessel capacity and changes in the supply and demand for the cargo to be carried. No assurances can be made that the Group will be able to successfully employ its vessels in the future or renew existing employment agreements (including charters and pool agreements) at rates sufficient to allow it to meet its obligations. Charter hire rates for container vessels may decrease in the future, which may adversely affect the Group's earnings. A continued downturn in the container charter market may have an adverse effect on the Group's earnings position.

The supply of and demand for shipping capacity strongly influence charter rates.

Factors that influence demand for container ship capacity include, among others:

- supply and demand for products suitable for shipping in containers;
- changes in global production of products transported by container ships;
- seaborne and other transportation patterns, including the distances over which container cargoes are transported and changes in such patterns and distances;
- the globalization of manufacturing;
- global and regional economic and political conditions;
- developments in international trade;
- environmental and other regulatory developments;
- currency exchange rates;
- economies of scale;
- fuel and bunker prices; and
- weather conditions.

The Group operates in markets that have historically exhibited seasonal variations in demand and, as a result, in charter rates. This seasonality may result in volatility in operating results.

The revenues of vessels employed in a charter pool depend on the average revenue realized in the entire charter pool. For that reason, the Group's vessels employed in such charter pools may be negatively impacted by poor performance of other pool vessels.

Factors that influence the supply of container ship capacity include, among others:

- the number of newbuilding orders and deliveries;
- the extent of newbuilding vessel deferrals;
- the scrapping rate of container ships;
- newbuilding prices and container ship owner access to capital to finance the construction of newbuildings;
- charter rates and the price of steel and other raw materials;
- changes in environmental and other regulations that may limit the useful life of container ships;
- the number of container ships that are slow-steaming or extra slow-steaming to conserve fuel and bunkers;
- the number of container ships that are idle;
- port congestion and canal closures; and
- demand for fleet renewal.

2.2.3 Fluctuation of vessel values

Container ship values can fluctuate substantially over time due to a number of different factors, including, among others:

- prevailing economic conditions in the markets in which container ships operate;
- prevailing charter rates;
- a substantial or extended decline in world trade;
- increases in the supply or decline in demand of container ship capacity; and
- the cost of retrofitting or modifying existing ships to respond to technological advances in vessel design or equipment, changes in applicable environmental or other regulations or standards, or otherwise.

Vessels values may be impacted by the steel price, i.e. an increasing steel price may cause vessel values to increase and vice versa.

The fair market value of the Group's vessels and investment in vessel-owning companies or other ships possibly acquired in the future may increase or decrease depending on a number of factors. Fluctuation of vessel values may result in an impairment of the book value of vessels. If the Group sells its vessels, its shares in vessel-owning companies or other vessels it acquires in the future when prices have fallen and before having recorded an impairment adjustment to the financial statements of the Group, the sale may be at less than the Group's vessels' carrying amount in the financial statements, resulting in a loss. Such loss or repayment may have a material adverse effect on the Group's business, financial condition, results of operation, liquidity and/or the Company’s ability to pay dividends to its shareholders. A negative development of the fair market value of the vessels owned by the Group may also have a material adverse effect on the ability of the Group to comply with covenants in debt financing arrangements, among others.

2.2.4 Changes in scrap prices

The scrap value of a vessel is highly dependent on the price of steel. The actual residual value of the vessels may be lower than the Company estimates.

2.2.5 Customer relationships

The Group's main customers are global liner companies and regional carriers. In order to continue the ongoing business and to protect its earnings, the Group must continue relationships with customers in addition to attracting new customers. However, it is not given that the Group will be able to continue its existing relationships, nor that it will be able to replace outgoing customers or attract new customers. Moreover, if the Group's external reputation is damaged, customers may elect to stay away from the Group. This may have a material adverse effect on the Group's future income from its business activity.

2.2.6 Risks related to competitors

The container shipping industry, in which the Company operates, is competitive, and competition arises primarily from other owners of container vessels. The Company's competitors may have greater resources which could allow them to better withstand industry downturns, compete more efficiently on the basis of geographic scope and retain skilled personnel. Competitive pressure may result in significant price competition, particularly during industry downturns. In addition, new competitors could enter the market for container ships and operate larger fleets through consolidations, acquisitions or purchase of new vessels, and may therefore or for other reasons be able or willing to offer lower charter rates or vessels with superior technical specifications (e.g.

newbuildings). If the Company is not able to compete successfully, the Company's earnings could be adversely affected.

2.3 Risk associated with the business of the Group

2.3.1 Past performance

In considering the historic performance of the Group, prospective investors should bear in mind that past performance is not necessarily indicative of future results, and there can be no assurance that the Group will achieve comparable results.

2.3.2 Future performance

The Company has been established in the context of an expectation that the market for container vessels will improve from levels deemed to be low. Should such expectation not prove to be right, or be delayed, the Group may suffer material adverse effects on its business, financial condition, results of operation, liquidity and/or the Company’s ability to pay dividends to its shareholders.

2.3.3 Limited operating history

The Company was incorporated on 9 January 2017 and is consequently a recently formed company with limited operating history upon which to evaluate the Company's likely performance. Accordingly, investors will have limited historical financial and other information on which to base any decision to invest in the Company's securities.

There can be no assurance that its business strategy and operations will continue to be successful going forward.

2.3.4 Dependency upon container transportation

The Group relies on revenues generated from the Group's business of providing tonnage capacity for the seaborne transportation of containers. Due to the lack of diversification in the Group's lines of business, an adverse development in the Group's container business, or in the container shipping industry, in particular the feeder segment, generally would have a significant impact on the Group's business, financial condition and results of operations.

2.3.5 Management services

The Group's success will materially depend upon the skill and expertise of its management and key employees. Resources to perform management services will be sourced from MPC Capital AG, and subsidiaries, and other key entities or persons. Any loss of members of its management or key employees could have a negative effect on the Group's operations.

There can be no assurance that MPC Capital AG, and subsidiaries, or such other entities or individuals will continue to provide resources to the Company throughout the term of the Company, or that their continued involvement will guarantee the future success of the Company. The Managing Director of the Company will not devote all of his professional time to the Company's business.

2.3.6 Ship management

The Company is responsible for the technical management (including crew management) of most of the Group’s vessels, based on technical ship management agreements between the Company and its vessel-owning subsidiaries. The Company bears all operational risks associated with the ship management of vessels as well as counterparty risks in connection with the sub-contracting of services.

2.3.7 Fraudulent behaviour from employees and/or third parties

Employees of, and/or third parties acting as agents for the Group could engage in fraudulent behaviour against the Group on their own, or that of others' initiative, making them act against the interest of the Group. Such actions could include, but are not limited to, document fraud, port bribes, fraudulent commission agreements, facilitation payments and bribes to get access to exclusive business. Whether deliberate or not, such actions could potentially put the Group at risk for both legal liabilities and reputational damage.

2.3.8 Distributions

Any distributions in form of dividends from the Company will normally be made in cash. The timing and amount of dividends is at the discretion of the Board of Directors. Any future dividends proposed will depend upon the Group’s financial position, earnings, debt covenants, distribution restrictions, capital requirements, investment opportunities, and other factors. Dividends will be proposed by the Board of Directors for approval by the General Meeting.

There are no current estimates regarding the potential future dividend level or timing of dividend payments. The distributions will not be predictable and will depend on the realization of or distributions from underlying investments. Investors should not expect any or any level of distributions from the Company.

2.4 Risks associated with the assets

2.4.1 Reliance on technical and commercial management of assets

The Company is responsible for the technical management (including the crew management) of the vessels owned by the Group. The performance of technical ship management services is subcontracted to specialized ship managers, both related to MPC Group and third-party ship managers. The loss of such ship managers' services or their failure to perform their obligations to the Group could materially and adversely affect the results of the Group's operations. The Group's operational success and ability to execute its growth strategy will depend significantly upon the satisfactory performance of these services. The Group's business will be harmed if the service providers fail to perform these services satisfactorily, if they cancel their agreements, or if they stop providing these services to the Group. The Group is reliant on the performance of the ship managers and their sub-contractors. There can be no assurance that such management will operate successfully. Insufficient technical management of the Group's vessels could, among other, lead to increased operational expenses and deteriorating technical conditions of the vessels.

Commercial management of the Group's vessels is performed by chartering managers. At the time of this Prospectus, the commercial ship manager is a related party.

Fees payable to the ship managers will be payable regardless of the Group's profitability.

2.4.2 Availability of investments and competition

Suitable assets may not always be available at a particular time. The Group's investment rate may be delayed or progress slower than the anticipated rate for a variety of reasons and, as a result, there is also no guarantee that the Group will be able to fully invest the required amount of the total capital. In addition, the Group may only participate in a limited number of assets so that returns might be adversely affected by the poor performance of even a single asset or investment.

The Group may be competing for appropriate investment opportunities with other participants in the markets. It is possible that the level of such competition may increase, which may reduce the number of opportunities available to the Group and/or adversely affect the terms upon which such investments can be made by the Group. In addition, such competition may have an adverse effect on the length of time required to fully invest the funds available to the Group.

2.4.3 Illiquidity of assets – realisation risk

The Group will own and operate assets that are illiquid and not traded on any regulated market. The realization of such investments may consequently take time and will be exposed to a variety of general and specific market conditions, see Section 2.2 "Market related risks". There can be no assurance that the Group will be able to sell vessels when required or desired.

2.4.4 Valuation

The Group will own and operate assets that are not traded in a regulated market and where the correct valuation at any given point in time will be subject to uncertainty. The Group will regularly publish valuation reports that are made available to its investors, but these should only be taken as indicative and there can be no guarantee that the valuations in such reports represent the values at which the Group can buy or sell.

2.4.5 Due diligence risk

The Company will complete reasonable and appropriate technical, commercial and financial due diligence prior to making an investment. Such due diligence will primarily be based on information which may only be available through certain third parties. Such information may be erroneous, incomplete and/or misleading, and there can be no assurance that all material issues will be uncovered. Even following a physical inspection of a secondhand vessel prior to purchase, the Company may not discover defects or other problems with such vessels.

2.4.6 Execution risk

There is always a possibility that intended transactions might not conclude due to various execution risks related to, but not limited to, documentation, inspection of the vessel(s) and/or class records and due diligence. Thus there might be certain external and third party costs carried by the Company that are not recoverable.

2.4.7 Technical maintenance risks

The technical operation of a vessel has a significant impact on the vessel's economic life, and technical risks will always be present. There can be no guarantee that the parties tasked with operating a vessel or overseeing such operation perform their duties according to agreement or satisfaction, even if a monitoring system is established. Failure to adequately maintain the technical operation of a vessel may adversely impact the operating expenses and other costs and accordingly the potential realization values that can be obtained. An increase in operating expenses or dry-docking costs could materially and adversely affect the Group's financial performance. Among other factors, technical maintenance will also depend on the availability of qualified crew to perform such maintenance tasks. The Group competes in a global crewing market to attract qualified sea-going personnel to be employed as crew on the Group's container vessels and there can be no guarantee that the Group will be successful in this.

2.4.8 Risks related to the technical condition of the vessels

The Company currently operates vessels built from 2002 to 2010. The vessels may not be in the technical conditions assumed by the Company and damages or defects to the vessels may be discovered during operation. The acquisition of secondhand vessels exposes the Group to increased operating costs and as the fleet ages, the risks associated with older vessels could adversely affect the Group's results of operations. Operating costs are unpredictable and can vary based on events beyond the Company's control.

The economic life of the Group's vessels will depend on many factors, including charterers' preferences with regard to age, as well as the vessels' technical condition, efficiency and the cost of keeping them in operation compared to their ability to produce earnings. The cost associated with the repair and maintenance of vessels normally increases with age.

There can be no assurance of how long the Group's existing vessels will be in operation. The vessels may have particular unforeseen technical problems or deficiencies, new environmental requirements may be enforced, or new technical solutions or vessels may be introduced that are more in demand than the Company's vessels, causing less demand and use of the Group’s vessels. In addition, there may be technical risks associated with ageing vessels, including operational problems leading to unexpectedly high operating costs and/or lost earnings, which may have a material adverse effect on the financial position of the Company. Compliance with safety and other vessel requirements imposed by international regulations and industry requirements, among others, may be costly and could reduce the Group's net cash flows and net income.

2.4.9 Risks related to technological advancements

Technological advancements or innovations in the maritime industry may require the Group to make substantial investments or even render the fleet of the Group as obsolete, having a material adverse effects on the Group's business, financial condition, results of operation and liquidity position. Such advancements may include, but are not limited to, digitalization, automation and autonomous traffic.

2.4.10 Risks related to operation downtime of the vessels

Any operational downtime of the Group's vessels or any failure to secure employment for any vessel at satisfactory rates will affect the Group's results. Furthermore, off-hire due to technical or other problems to any vessel could be materially disruptive to the Company's financial results. Inadequate technical maintenance of the Group's vessels may negatively influence the availability of vessels in the charter market, impacting the utilization of the Group's fleet.

Operational downtime could come as a result of several factors outside the Company's control such as a result of repair work. Any downtime (off-hire) could result from the time needed to repair or replace equipment which may have a long delivery time should there not be readily available spares. The loss of earnings while these vessels are being repaired, as well as the actual cost of these repairs, would decrease the Company's results of operations.

Further, the Group’s vessels may be arrested, detained or kidnapped and Governments could requisition the Group's vessels during a period of war or emergency, which may negatively impact the Group's business, financial condition, results of operations and available cash.

2.4.11 Risks related to repairs

The timing and costs of repairs on the Group's ships are difficult to predict with certainty and may be substantial. Many of these expenses, such as dry docking and certain repairs for normal wear and tear, are typically not covered by insurance. Large repair expenses and repair time may have a material adverse effect on the Group's business, financial condition, results of operation and liquidity.

2.4.12 Risks related to the ability to obtain suppliers and services

The Company relies, and will in the future rely, on supplies of consumables, spare parts and equipment to operate, maintain, repair and upgrade its vessels. Cost increases, delays or unavailability could negatively impact the Company's future operations and result in higher downtime due to delays in the repair and maintenance of the Company's fleet.

2.4.13 Risk relating to accidents

The Group's vessels are subject to perils particular to marine operations, including capsizing, grounding, collision, engine problems, technical problems, navigation errors, and loss and damage from severe weather or storms. The Group's vessels may also be subject to other unintended accidents. Such circumstances may result in loss of or damage to the Group's vessels, damage to property, including other vessels and damage to the environment or persons. Such events may lead to the Group being held liable for substantial amounts by injured parties, their insurers and public governments. In the event of pollution, the Group may be subject to strict liability. Environmental laws and regulations applicable in the countries in which the Group operates have become more stringent in recent years. Such laws and regulations may expose the Group to liability for the conduct of or conditions caused by others, or for acts by the Group that were in compliance with all applicable laws at the time such actions were taken. Please refer to Section 2.4.13 for further information regarding risks related to environmental laws and regulations.

The occurrence of the above mentioned events may have a material adverse effect on the Group's business, financial condition, results of operation and liquidity, and there can be no assurance that the Group's insurance will fully compensate any such potential losses and/or expenses.

2.4.14 Environmental risks

The Group's vessels carry pollutants and there will, accordingly, always be certain environmental risks and potential liabilities involved in the ownership of commercial shipping vessels. The Group's operations and vessels are subject to international environmental conventions, laws and regulations, controlling the discharge of materials into the environment, requiring removal and clean-up of materials that may harm the environment or otherwise relating to the protection of the environment. As the Group owns vessels which may operate in various parts of the world, several different jurisdictions regarding liability pollution may apply. Laws and regulations protecting the environment have become more stringent in recent years, and may in some cases impose strict liability, rendering a person liable for environmental damage without regard to negligence.

Compliance with environmental laws and regulation may require significant expenditures. If any of the vessels that the Group operate were to discharge pollutions into the environment or to otherwise be involved in any environmental spill or accident, the Group could incur substantial costs and liabilities as a result of such spill or clean up, and the Group may become subject to significant fines in connection with spills. Such consequences could have a material adverse effect on the Group's financial position, results of operations or cash flows.

2.4.15 Risk relating to international operations

It is expected that the Group's vessels will operate in a variety of geographic regions. Consequently, the Group may be exposed to political risk, risk of piracy, sanctions and blacklisting, corruption, terrorism, outbreak of war, overlapping and differing tax structures and tax regimes and managing an organization spread over various jurisdictions, amongst others. In addition, the Group's operations are subject to laws and regulations and supervisory rules in the countries where the activity is performed, and the Group may therefore be subject to unexpected changes in regulatory requirements and compliance with a variety of foreign laws and regulations. The operations of the Group may be negatively affected by changes in environmental laws and other regulations that can result in large expenses in, for example, modification of vessels and changes in the operation of vessels. The business, financial condition and results of operations of the Group, indirectly, and its underlying investments directly, may accordingly be negatively affected if such risks materialize. Changes in the legislative, governmental and economic framework governing the activities of the shipping industry, could also have a material negative impact on the Group's results of operations and financial condition.

2.4.16 Risks related to insurance

Risks may arise for which the Group is not or not adequately insured. Any particular claim may not be paid by the Group's insurers or not paid in time and any claims covered by insurance would be subject to deductibles, the aggregate amount of which could be material. Any uninsured or underinsured loss could harm the Group's business and financial condition and have a material adverse effect on the Group's operations. Furthermore, even if insurance coverage is adequate to cover the Group's losses, the Company may not be able to obtain a replacement ship in a timely manner in the event of a loss.

If the Group fails to comply with applicable regulations, it may be subject to increased liability, which may adversely affect its insurance.

The Group may be subject to premium calls because some of its insurances are obtained through protection and indemnity associations.

2.4.17 Risks related to maritime claims

Crew members, suppliers of goods and services to a vessel, shippers of cargo and other parties may be entitled to a maritime lien against one or more of the Company's vessels for unsatisfied debts, claims or damages (even based on doubtful reasons). The arrest or attachment of one or more of the Company's vessels could interrupt the cash flow from the charterer and/or the Company and require the Company to pay a significant amount of money to have the arrest lifted. A claimant may also arrest vessels even if the claimant has no claim against the Group. In addition, in some jurisdictions, under the "sister ship" theory of liability, a claimant may arrest both the vessel which is subject to the claimant's maritime lien and/or any "associated" vessel, which is any vessel owned or controlled by the same owner.

2.4.18 Risks related to litigation

The Group operates in a legal and regulatory environment that exposes it to potentially significant litigation and regulatory risks, and the Group may in the future be involved in disputes or legal, administrative or governmental proceedings in Norway or other jurisdictions from time to time. The Group cannot predict with certainty the outcome or effect of any dispute or claim. Any future dispute may have an adverse effect on the Group's business, financial position, results of operations due to potential negative outcomes, the costs associated with prosecuting or defending such litigation matters and the diversion of management's attention to these matters.

2.4.19 Changes in legal framework

Changes in legal, tax and regulatory regimes within the relevant jurisdictions may occur during the life of the Company which may have an adverse effect on the Company. The Group as a whole is exposed to risks regarding the correct application of the tax regulations and those in relation to conflicting tax regimes.

Over the past 20 years, the shipping industry has faced various legislative changes affecting the industry in the form of international conventions and treaties, national, state and local laws and national and international regulations in force in the jurisdictions in which container vessels operate or are registered, which can significantly affect the ownership and operation of container vessels. There is a risk that new legislative changes will be proposed and ratified which could affect amongst others the economic lives of vessels and their earning potential. The Group may incur additional costs in order to comply with existing and future regulatory obligations.

Managers of alternative investment funds are subject to a registration requirement or a license requirement (depending on the amount of assets under management) pursuant to Directive 2011/61/EU on alternative investment fund managers and the Norwegian act on management of alternative investment funds of 20 June 2015 no. 28. Based on the nature of the operations of the Company and its governance structure, the Company is of the view that it is not an alternative investment funds and is not subject to these rules. If the Company should nonetheless be held to be an alternative investment funds this could result in increased costs and other negative consequences for the Company.

2.5 Financial risks

2.5.1 Liquidity risk and availability of debt finance

The Group operates in a very capital-intensive industry. The Group may require additional capital in the future due to unforeseen liabilities, net cash flow shortfalls or in order to take advantage of business opportunities or to refinance all or part of existing and future debt obligations, including the senior secured bond facility. It is uncertain that the Group will generate enough free cash flow enabling it to cover all of its potential financing needs without procuring additional debt financing. Factors giving rise to the Group's liquidity needs include, but are not limited to, changes in operating costs, changes in capital expenditures and changes in income, including as a result of the employment level of the Group's vessels or other business interruptions. There can be no assurance that the Group will be able to obtain necessary financing in a timely manner on acceptable terms. Difficulties in the financial markets may result in dysfunctional credit markets and restrict the availability of debt finance to the Group’s underlying investments. The resultant lack of available credit and/or higher financing costs and more onerous terms may materially impact on the performance of certain investments with a potential adverse impact on both working capital and term debt availability.

The state of global financial markets and current economic conditions, among other factors, may adversely impact the Group's ability to obtain financing or refinance future and existing credit facilities on acceptable terms, which may hinder or prevent operating or expanding the Group's business or have a material adverse effect on the financial position of the Group.

2.5.2 Currency risk

USD is the functional and reporting currency for the Group. Charter hire is normally payable in USD and the value of the vessels is normally denominated in USD. The Group's vessels operate on a worldwide basis. Therefore, the Group is exposed to currency exchange rate fluctuations as a result costs incurred in currencies other than USD. In particular, the Group has a net exposure to EUR and NOK. Thus, currency fluctuations may affect both the Group's and consequently the investors' return, book value and value adjusted equity of subsidiaries in other currencies than USD.

Monetary balance sheet items denominated in currencies other than USD are translated at the closing rate at each reporting date, while non-monetary items are translated at their historical rate for purposes of the Company’s financial statements. With regard to monetary items, the Group is therefore exposed to risk related to the translation of assets and liabilities denominated in currencies other than USD.

The Shares will be priced and traded in NOK on the Oslo Stock Exchange and hence there is a foreign exchange risk associated with conversion from the reporting currency to NOK. Any future payments of dividends on the Shares will be denominated in NOK.

2.5.3 Interest rate risk

Any changes in the interest rate would directly affect prospective returns of the Group. Indebtedness under bond or credit facilities may be subject to floating rates of interest.

Interest rate levels can also indirectly affect the value of the assets at the point of sale. This will impact the portability of the Group's operation.

2.5.4 Hedging transactions

The Company or its subsidiaries engage and may engage in the future in certain hedging transactions which are intended to reduce the currency or interest rate exposure, among others. In order to manage its exposure to interest rates fluctuations due to the floating coupon rate of the senior secured bond, the Group has entered into interest rate swap and cap agreements. Any such hedging transaction may be imperfect, leaving the Company indirectly exposed to some risk from the position that was intended to be protected. The successful use of hedging strategies further depends upon the availability of a liquid market and appropriate hedging instruments and there can be no assurance that the Group will be able to close out a position when deemed advisable. The Group may potentially forego the benefits of otherwise positive variable interest and currency exchange rate movements and other favorable movements.

Like any other financial instrument that is subject to market risks, the derivatives used in hedging activities bear the inherent risk of value loss, leading to considerable liabilities of the Group vis-à-vis the hedging counterparty, due to a variety of factors beyond the Group's control. Furthermore, when using hedging instruments, the Group is subject to credit risk as the counterparties to the hedging transactions may default on an obligation. Any of these factors and other factors may have a material adverse effect on the Group´s business, financial condition and results of operations.

2.5.5 Covenant risks

Loans will typically contain certain covenants, including those related to minimum cash levels, minimum equity ratios, minimum value clauses, vessel related covenants and insurance related covenants, amongst others. The breach of such covenants may lead to a default situation, resulting in capital calls by the creditors and a forced sale of the underlying vessels, which may have a detrimental impact on the financial position of the Group. The compliance with certain debt covenants, including covenants in relation to the market value of the Group's fleet, may be beyond the control of the Group.

2.5.6 The Group is exposed to fluctuations in working capital

The Group is depending on having available funds to support working capital requirements for its business for the period beyond 12 months from the date of this Prospectus. The adequacy of available funds for the period beyond 12 months will depend on many factors, including but not limited to the further growth of the business, capital expenditures, changes in working capital and market development (including but not limited to freight rates, time charter rates and bunker oil price).

The Group may therefore in future be dependent on obtaining financing and/or new equity to ensure adequacy of available funds to support the business and its obligations. It is not certain that the Group will be able to obtain future financing on acceptable terms and conditions, nor that the Group will be able to raise new capital in the equity markets. If the Group is unable to obtain future debt and/or equity financing, it may have a material adverse effect on the Group's business, financial condition, results of operation and liquidity.

2.5.7 Counterparty risks

The performance of the Group depends heavily on its counterparties' ability to perform their obligations under, for instance, agreed time charter parties. Liner shipping companies have been placed under significant financial pressure, thereby increasing the Group's charter counterparty risk. The Company is consequently exposed to the risk of contractual default by its counterparties. Any default by a counterparty of its obligations under its agreements with an entity within the Group may have material adverse consequences on the financial condition of the Group.

The loss of any of the Company's charterers, time charters or vessels, or a decline in payments under its charters or pool agreements, could have a material adverse effect on the Company's business, results of operations and financial condition, revenues and cash flow and its ability to pay dividends to its shareholders.

2.5.8 Credit risks

The Company's customer base implies a material source of credit risk. Any downturn in the financial markets and economic activity may result in higher volume of late payments from the Company's customers and outstanding receivables, which may materially affect the Company's financial condition.

2.5.9 Risks related to taxation

Tax laws and regulations are highly complex and subject to interpretation. Consequently, the Group is subject to changing tax laws, treaties and regulations in and between countries in which it operates. The Group's income tax expense is based upon its interpretation of the tax laws in effect in various countries at the time that the expense was incurred. A change in these tax laws, treaties or regulations, or in the interpretation thereof, which is beyond the Group's control, could result in a materially higher tax expense or a higher effective tax rate on the Group's earnings.

From time to time the Group's tax payments may be subject to review or investigation by tax authorities of the jurisdictions in which the Group operates from time to time. If any tax authority successfully challenges the Group's operational structure or intercompany pricing policies; or if the Group loses a material tax dispute in any country, or any challenge of the Group's tax payments is successful, its effective tax rate on its earnings could increase substantially and the Group's earnings and cash flows from operations could be materially adversely affected.

Any change in or discontinuation of the applicable tonnage tax regimes, or any inability on the Group's part to continue to participate in these regimes could considerably increase the Group's tax burden and, as such could have a material adverse effect on the Group's business, results of operations and financial condition. Similarly, tax authorities may interpret the preconditions and scope of tonnage tax regimes different to the Company and could therefore deny tonnage tax benefits which the Group has claimed or make unforeseen tax claims, either in respect to the Group’s cross-border reorganization measures or otherwise. This could increase the Group's tax burden and could have a material adverse effect on the Group’s business, results of operations and financial condition.

2.5.10 The Group's risk management policies and procedures may leave it exposed to unidentified or unanticipated risks

The Group's policies and procedures to identify, monitor and manage risks may not be fully effective. Some of the Group's methods of monitoring and managing risks are based on historical market behaviour that may not be an accurate predictor of future market behaviour. Other risk management methods depend on evaluation of information relating to markets, suppliers, customers and other matters that are publicly available or otherwise accessible by the Group. This information may not in all cases be accurate, complete, up to date or properly evaluated. Management of operational, legal and regulatory risk requires, among other things, policies and procedures to properly record and verify a large number of transactions and events, and these policies and procedures may not be fully effective in doing so. Failure to mitigate all significant risks associated with the Group's business could have a material adverse effect on the Group's business, results of operations and financial condition.

2.6 Risks related to the Listing and the Shares

2.6.1 Trading on Oslo Axess

The Company is currently listed at Merkur Market. Prior to the expected listing on Oslo Axess, the Shares have not been traded on a regulated market. Although the Shares are freely transferable and will be listed on the Oslo Axess, the investors must expect that it may be difficult to sell Shares in the Company in the secondary market. There is no assurance that an active trading market for the Shares will develop or be sustained. The market value of the Shares can be substantially affected by the extent to which a secondary market develops for the Shares following the listing on Oslo Axess.

2.6.2 Volatility of the share price

The trading volume and price of the Shares could fluctuate significantly. Securities markets in general have been volatile in the past. Some of the factors that could negatively affect the price of the Shares or result in fluctuations in the price or trading volume of the Shares include, for example, changes in the Group's actual or projected results of operations or those of its competitors, changes in earnings projections or failure to meet investors' and analysts' earnings expectations, investors' evaluations of the success and effects of the strategy described in this Prospectus, as well as the evaluation of the related risks, changes in general economic conditions, changes in consumer preferences, changes in shareholders and other factors. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Group, and these fluctuations may materially affect the price of the Shares.

2.6.3 Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares

The Company may in the future decide to offer additional Shares or other securities in order to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes. Depending on the structure of any future offering, existing shareholders may not have the ability to subscribe for or purchase additional equity securities. If the Company raises additional funds by issuing additional equity securities, holdings and voting interests of existing shareholders could be diluted.

2.6.4 Future sales, or the possibility of future sales, of substantial numbers of Shares could affect the Shares' market price

The Company cannot predict what effect, if any, future sales of the Shares, or the availability of Shares for future sales, will have on the market price of the Shares. Sales of substantial amounts of the Shares in the public market following the Listing, or the perception that such sales could occur, could adversely affect the market price of the Shares, making it more difficult for shareholders to sell their Shares or for the Company to sell equity securities in the future at a time and price that they deem appropriate.

2.6.5 Pre-emptive rights to subscribe for Shares in additional issuances could be unavailable to U.S or other shareholders

Under Norwegian law, unless otherwise resolved at the Company's general meeting of shareholders (the "**General Meeting**"), existing shareholders have pre-emptive rights to participate on the basis of their existing ownership of Shares in the issuance of any new Shares for cash consideration. Shareholders in the United States, however, could be unable to exercise any such rights to subscribe for new Shares unless a registration statement under the U.S. Securities Act is in effect in respect of such rights and Shares or an exemption from the registration requirements under the U.S. Securities Act is available. Shareholders in other jurisdictions outside Norway could be similarly affected if the rights and the new Shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. The Company is under no obligation to file a registration statement under the U.S. Securities Act or seek similar approvals under the laws of any other jurisdiction outside Norway in respect of any such rights and Shares, and doing so in the future could be impractical and costly. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new Shares, their proportional interests in the Company will be diluted.

2.6.6 Investors could be unable to exercise their voting rights for Shares registered in a nominee account

Beneficial owners of the Shares registered in a nominee account may be unable to vote for such Shares unless their ownership is re-registered in their names with the VPS prior to any General Meeting. There is no assurance that beneficial owners of the Shares will receive the notice of any General Meeting in time to instruct their nominees to either effect such a re-registration of their Shares or otherwise vote their Shares in the manner desired by such beneficial owners.

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

The Shares have not been registered under the U.S. Securities Act or any U.S. state or territory securities laws or any other jurisdiction outside Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold except pursuant to an exemption from the registration requirements of the U.S. Securities Act and other applicable securities laws. In addition, there is no assurance that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings.

2.6.8 The ability to bring action against the Company may be limited under Norwegian law

The Company is a public limited company incorporated under the laws of Norway. The rights of holders of Shares are governed by Norwegian law and by the Articles of Association. These rights differ from the rights of shareholders in other jurisdictions, e.g. typical U.S. corporations. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. Under Norwegian law, any action brought by the Company in respect of wrongful acts committed against the Company takes priority over actions brought by shareholders in respect of such acts. In addition, it may be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, foreign securities laws. For these reasons investors may encounter difficulties in serving summons and other documents relating to court proceedings to any of the entities within the Group and its management. For the same reason it may be more difficult and more costly for investors to obtain judgments against, and enforce judgments issued against, the entities within the Group and their directors and management.

2.6.9 The Company's ability to pay dividends in accordance with its dividend policy is dependent on the availability of distributable reserves and the Company may be unable or unwilling to pay any dividends in the future

Norwegian law provides that any declaration of dividends must be adopted by the shareholders at the General Meeting, or by the Company's Board of Directors in accordance with an authorisation from the General Meeting. Dividends may only be declared to the extent that the Company has distributable reserves and the Company's Board of Directors finds such a declaration to be prudent when considering the size, nature, scope and risks associated with the Company's operations and the need to ensure its liquidity and financial position. As the Company's ability to pay dividends is dependent on the availability of distributable reserves, it is, among other things, dependent upon receipt of dividends and other distributions of value from its subsidiaries and companies in which the Company may invest. As a general rule, the General Meeting may not declare higher dividends than the Company's Board of Directors has proposed or approved. If, for any reason, the General Meeting does not declare dividends in accordance with the above, a shareholder will, as a general rule, have no claim in respect of such non-payment, and the Company will, as a general rule, have no obligation to pay any dividend in respect of the relevant period.

2.6.10 Exchange rate fluctuations could adversely affect the value of the Shares and any dividends paid on the Shares for an investor whose principal currency is not NOK

The Shares will be priced and traded in NOK on Oslo Børs and any future payments of dividends on the Shares will be denominated in NOK. Investors registered in the VPS whose address is outside Norway and who have not supplied the VPS with details of any NOK account, will, however, receive dividends by check in their local currency, as exchanged from the NOK amount distributed through the VPS. If it is not practical in the sole opinion the Company's VPS Registrar, to issue a check in a local currency, a check will be issued in USD. The exchange rate(s) that is applied will be VPS Registrar's rate on the date of issuance. Exchange rate movements of NOK will therefore affect the value of these dividends and distributions for investors whose principal currency is not NOK. Further, the market value of the Shares as expressed in foreign currencies will fluctuate in part as a result of foreign exchange fluctuations. This could affect the value of the Shares and of any dividends paid on the Shares for an investor whose principal currency is not NOK.

2.6.11 Market interest rate could influence the price of the Shares

One of the factors that could influence the price of the Shares is its annual dividend yield as compared to yields on other financial instruments. Thus, an increase in market interest rates will result in higher yields on other financial instruments, which could adversely affect the price of the Shares.

3. RESPONSIBILITY FOR THE PROSPECTUS

This Prospectus has been prepared in connection with the Listing.

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

25 January 2018

The Board of Directors of MPC Container Ships ASA

Ulf Holländer *Chairman*	Dr. Axel Schroeder *Board member*
Ellen Hanetho *Board member*	Darren Maupin *Board member*

Laura Carballo
Board member

4. PRESENTATION OF INFORMATION

4.1 Date of information

The information contained in this Prospectus is current as at the date of the Prospectus and is subject to change or amendment without notice. In accordance with section 7-15 of the Norwegian Securities Trading Act, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the time of approval of this Prospectus by the NFSA and Listing, will be included in a supplement to this Prospectus. Except as required by applicable law and stock exchange rules, the Company does not undertake any duty to update the information in this Prospectus. The publication of this Prospectus shall not under any circumstances create any implication that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

4.2 Presentation of financial information

The historical financial information as set out below has been derived from the Company's audited consolidated financial statements for the period from the date of incorporation of the Company (9 January 2017) to 30 September 2017, prepared in accordance with the International Financial Reporting Standards ("**IFRS**"), as adopted by the European Union ("**EU**") (the "**Audited Financial Statements**"). The Audited Financial Statements are attached to this Prospectus as Appendix B, and have been audited by the Company's auditor, Ernst & Young AS, as set forth in their auditor's report included together with the Audited Financial Statements.

The Company is a start-up entity with limited financial history as of 30 September 2017. The first vessels were taken over by the Company and commenced operations in April 2017. Accordingly, the Company's historical consolidated financial information may be of limited relevance for the current and expected future operations. Amongst others things, time charter revenues and operating expenses are expected to increase significantly due to the expected increase in the volume of operations.

The Company's consolidated financial statements will as of, and for the year ended 31 December 2017 be subject to full audit by Ernst & Young AS and will be prepared in accordance with IFRS.

In this Prospectus, all references to "**NOK**" are to the lawful currency of Norway, all references to "**EUR**" are to the lawful currency of the member states of the EU that have adopted and retain the single European currency and all references to "**USD**" are to the lawful currency of the United States of America. No representation is made that the NOK or USD amounts referred to herein could have been or could be converted into NOK or USD, as the case may be, at any particular rate, or at all. The Company presents its consolidated financial statements in USD.

4.3 Rounding

Percentages and certain amounts included in this Prospectus have been rounded for ease of presentation. Accordingly, figures shown as totals in certain tables may not be the precise sum of the figures that precede them.

4.4 Industry and market data

This Prospectus contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Company's business and the industries and markets in which it operates. Unless otherwise indicated, such information reflects the Company's estimates based on analysis of multiple sources, including data compiled by professional organisations, consultants and analysts and information otherwise obtained from other third party sources, such as annual and interim financial statements and other presentations published by listed companies operating within the same industry as the Company, as well as the Company's internal data and its own experience, or on a combination of the foregoing. Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Company's competitive position is based on the Company's own assessment and knowledge of the market in which it operates.

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified. The Company does not intend, and does not assume any obligations, to update industry or market data set forth in this Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus and projections, assumptions and estimates based on such information may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 "Risk Factors" and elsewhere in this Prospectus.

4.5 Cautionary note regarding forward-looking statements

This Prospectus contains forward-looking statements. All statements contained in this Prospectus other than statements of historical fact, including statements regarding the Company's future results of operations and financial position, its business strategy and plans, and its objectives for future operations, are forward-looking statements. The words "believe", "may", "will", "estimate," "continue", "anticipate", "intend", "expect", and similar expressions are intended to identify forward-looking statements. The Company has based these forward-looking statements largely on its current expectations and projections about future events and trends that it believes may affect its financial condition, results of operations, business strategy, short-term and long-term business operations, objectives and financial needs.

Forward-looking statements are subject to a number of risks and uncertainties, including those described in Section 2 "Risk Factors", and are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company operates. The actual results, performance or achievements of the Company may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance, or achievements. Given these uncertainties, investors should not rely upon forward-looking statements as predictions of future events or performance.

Except as required by the applicable law or stock exchange rules, the Company does not intend, and expressly disclaims any obligation or undertaking, to update any of these forward-looking statements after the date of this Prospectus or to conform these statements to actual results or revised expectations.

Forward-looking statements are found in, but not limited to, Sections 5 "Industry and Market Overview", 6 "Business of the Group", 9 "Operating and Financial Review", 10 "Board of Directors, Management, Employees and Corporate Governance" and 12 "Corporate Information and Description of Share Capital".

4.6 No advice

The content of this Prospectus is not to be construed as legal, business or tax advice. Each prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to any subscription, purchase or proposed subscription or purchase of any Shares. Each prospective investor should consult with such advisers as needed to make its investment decision and to determine whether it is legally permitted to hold Shares under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of any investment in Shares for an indefinite period of time.

5. INDUSTRY AND MARKET OVERVIEW

This Section discusses the industry and markets in which the Group operates. Certain information in this Section relating to market environment, market developments, growth rates, market trends, industry trends, competition and similar information are estimates based on data compiled by professional organisations, consultants and analysts, in addition to market data from other external and publicly available sources, and the Company's knowledge of the markets.

The following discussion contains forward-looking statements. Any forecasts and other forward-looking statements in this Section are not guarantees of future outcomes and these future outcomes could differ materially from current expectations. Numerous factors could cause or contribute to such differences; see Section 4.5 "Cautionary note regarding forward-looking statements" for further details.

5.1 Overview of the container shipping market

5.1.1 Introduction

The business of the Group is to own and operate vessels in the container shipping market.

Container shipping is the dominant method of international transportation for a broad range of industrial and consumer goods, chemicals and foodstuff. Containers are modular metal boxes of standardized dimensions, generally 20 or 40 feet long and measured in twenty foot equivalent unit ("**TEU**") or forty foot equivalent unit ("**FEU**"). In addition to standard 20-foot or 40-foot containers, there are specialized containers, such as reefer (refrigerated), flat racks, open top or removable hard top containers, allowing the transport of cargo not suitable for standard containers, e.g. fresh fruit in reefer containers.

Container liner companies operate regularly scheduled services between a series of ports, generally operating on a fixed day each week or otherwise on a regular basis. Most carriers do not own their entire fleet, but instead rely on vessels leased or chartered (either long- or short-term) from third party tonnage providers to provide some proportion of their total capacity requirements. This gives carriers increased flexibility in adjusting capacity in response to demand peaks and allows better deployment of vessel capacities in response to changing demand structures between trades a carrier is active in.

Tonnage providers, such as the Group, own and charter-out container vessels to liner companies. Most ship charters involve the ship owner providing a vessel to the carrier for a fixed period of time, with the ship owner also providing the ship’s crew, insurance and maintenance on the vessel. In common time charter agreements, the carrier is responsible for voyage costs, such as bunker fuel, canal charges and port fees.

5.1.2 Liner services

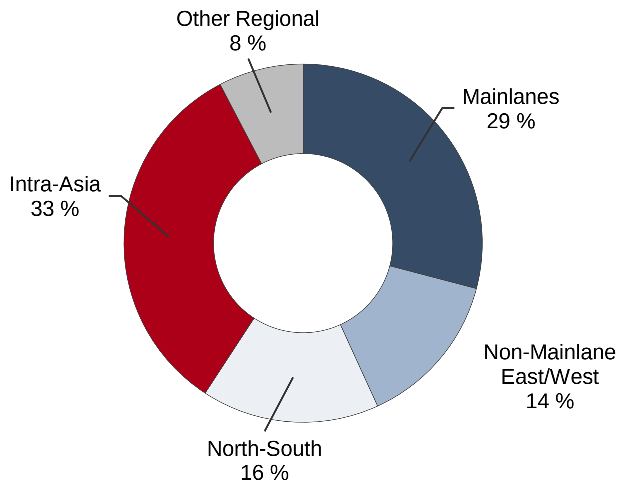
The global container shipping market is typically divided into the following trades:

- Mainlane trades: Services between Asia and Europe, services between Europe and North America (Transatlantic) and services between Asia and North America (Transpacific).
- Non-Mainlane East/West trades: Services between Asia, Europe or North America on the one hand and Middle East or Indian Subcontinent on the other hand.

- North/South trades: Services between Asia, Europe or North America (North) on one hand and Latin America, Africa or Oceania (South) on the other hand, in all variations.
- Intra-regional trades: Services within regions such as Asia, Europe, Latin America/ Caribbean and other.

The below chart illustrates the share of global container trades as a percentage of global trade volume as of Q4 2017.

Global container trade shares (as % of trade volume)



Source: Maritime Strategies International, Q4/2017 Report

5.1.3 Container vessels

The fleet used to carry containers is made up of oceangoing vessels in different sizes, each with particular characteristics. Larger vessels will benefit from economies of scale and are best suited for long hauls between large ports, while smaller vessels have the flexibility to enter smaller ports. Large ports have on-shore cranes to load/offload containers to/from vessels and some smaller ports can only handle vessels equipped with on-board cranes, i.e. geared vessels.

The size classes of container vessels can be categorized as follows:

- Ultra-large container vessels: Vessels with a container carrying capacity above 14,501 TEU that cannot pass through the new Panama Canal due to size restrictions. These vessels are mainly deployed on Asia/Europe services.
- New-panamax: Vessels with a container carrying capacity between 5,101 and 14,500 TEU that are able to pass through the new Panama Canal (opened in June 2016). These vessels are deployed on a wide range of long-haul services, e.g. Mainlane East/West, Non-Mainlane East/West and North/South.
- Panamax: Vessels of a size range between 3,001 and 5,100 TEU that used to be the largest vessel sizes able to pass through the Panama Canal prior to its extension. These vessels are deployed on a wide range of intermediate services worldwide.

- Feeder: Vessels between 1,001 and 3,000 TEU that are mainly deployed in intra-regional services (over two-thirds). About half of these vessels are equipped with cranes in order to serve small ports in less-developed regions.
- Small feeder: Denotes vessels of up to 1,000 TEU capacity that are trading in small volume feeder services.

The Company mainly focuses on the ownership and operation of feeder container vessels. Over two-thirds the global feeder fleet are deployed in regional and intra-regional services; of these, the intra-Asian market, the intra-European and the intra-Latin American are the most significant trade region for feeder container vessels.[1] Such intra-regional trade is, for example, due to transhipment of containers from large vessels at deep-water ports into feeder vessels serving smaller ports in the regions (hub-and-spoke supply chains). Feeder services are the services that support main services by connecting ports on intercontinental shipping lanes with one or more smaller ports, which are not services by the main line vessels. Due to a combination of distance, volumes and port infrastructure restrictions as well as flexibility requirements, feeder vessels are increasingly concentrated on intra-regional and regional trades.

5.2 Key drivers for the container shipping market

5.2.1 Demand for container transportation

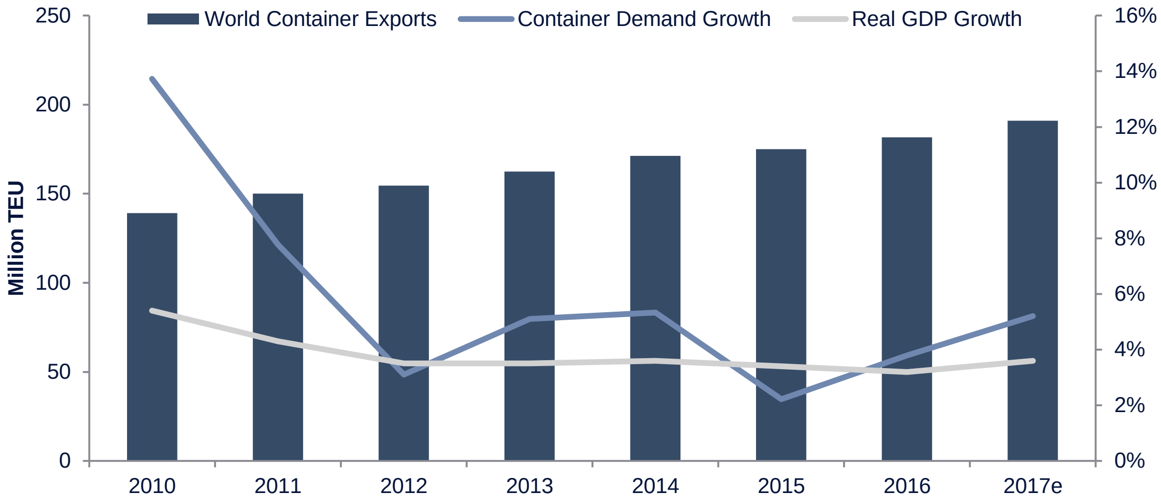
Around 85% of worldwide transported goods were carried by ship in 2016 and container shipping contributes a substantial share of about 16% to total global sea-borne transport volumes. Naturally, seaborne trade growth and container trade growth are strongly influenced by the level of worldwide economic activity. Thus, world container trade growth is primarily driven by the growth in economic output and consumption and changes in global sourcing and patterns of trade. Global gross domestic product ("**GDP**") growth has historically been correlated with container trade growth and is one of the best indicators of container volumes. In the decade before the financial and economic crisis in 2008/2009, container trade volumes have grown at a multiple of about 2.4 times GDP growth on average. Between 2010 and 2016, the GDP multiplier has averaged about 1.4, reflecting a development that suggests that the relationship between GDP and container trade is reduced compared to the period before 2009.[2]

Demand for container transportation has shown a continuous upward trend over time, with considerable variation in growth rates. The chart below provides an illustration of container demand growth and global GDP growth since the year 2010.

[1] Sources: Container Intelligence Quarterly, Fourth Quarter 2017, Clarksons Research; Alphaliner Monthly Monitor, November 2017.

[2] Source: Seaborne Trade Monitor, December 2017, Clarksons Research.

Historical development in container transportation (2010-2017)



Source: Shipping Intelligence Network, Clarksons Research, November 2017; IMF, World Economic Outlook, October 2017

Between 2010 and 2016, the container shipping industry measured in terms of global container export volumes has grown at a compound annual growth rate ("**CAGR**") of 4.5%, driven by the industrialization of the developing countries in Asia and Latin America as well as the globalization of industrial production, while global GDP grew by 3.6%.

In 2016, total container trade grew by an estimated 3.8% with total global volumes reaching 182 million TEU, after trade growth was at 2.2% in 2015. The main reason for the moderate growth in both 2015 and 2016 was a relatively weak GDP growth in developing economies, because of weak commodity prices placing pressure on a number of commodity-exporting countries. In 2015, a slowdown in growth of the Chinese economy was a major factor for weak container volumes as well. According to the International Monetary Fund global GDP grew by 3.4% in 2015 and 3.2% in 2016.

For 2017, the International Monetary Fund projects stronger global GDP growth at 3.6%, which should translate into a stronger rate of global container trade growth in 2017. Based on estimates by Clarksons Research, demand for container transportation is expected to increase at growth rates of 5.2% in 2017. As mentioned in Section 5.1.2 global container trade can be categorized into mainlane, non-mainlane East/West, North/South and intra-regional trades. These major trades are expected to grow at different speeds with the following CAGR for the period from 2016 to 2017: Mainlane 4.6%, Non-Mainlane East/West 4.4%, North/South 4.6% and Intra-Regional 6.2%. Therefore, the intra-regional market, in which the vessels of the Group operate, has the highest expected growth rates among the sub-segments of the container shipping market. The future development of trade volumes in intra-regional services are expected to be a key determinant of the demand for feeder container vessels. The deployment of larger vessels on long-haul trade routes is expected to support the development of hub-and-spoke systems, supporting demand for feeder vessels [3]

[3] Sources: Shipping Review and Outlook Autumn 2017, Clarksons Research; Container Intelligence Quarterly, Fourth Quarter 2017, Clarksons Research; World Economic Outlook, IMF, October 2017.

5.2.2 Supply of container transportation capacity

As of October 2017, the world container fleet of fully cellular container ships consisted of 5,152 ships, totalling 20.6 million TEU in capacity. These figures exclude multi-purpose and ro-ro ships with container carrying capacity. The table below gives an overview of the world container ship fleet clustered in the various sizes.

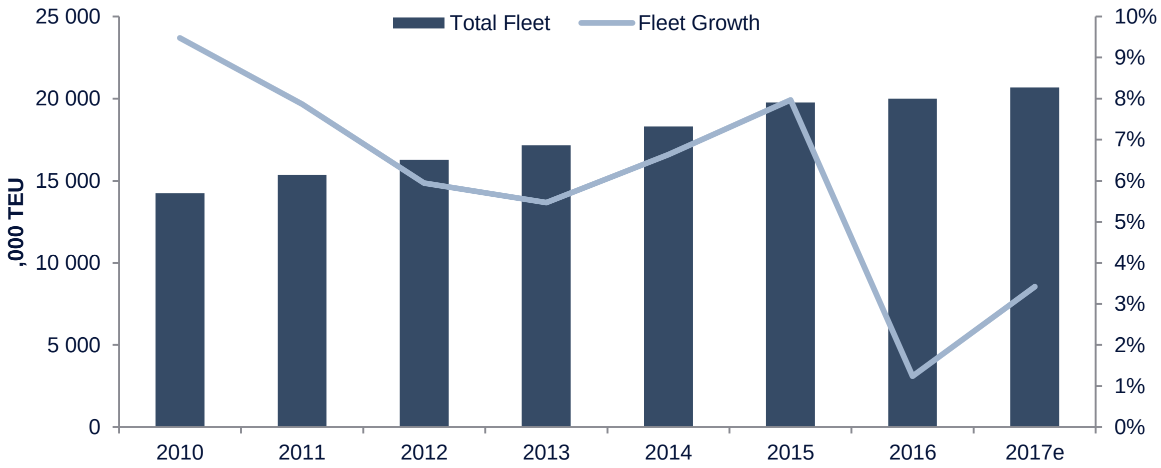
Total container ship fleet by size

Type	Size (TEU)	Number	in %	,000 TEU	in %
Small feeder	100-999	1,037	20.1%	629	3.1%
Feeder	1,000-2,999	1,850	35.9%	3,298	16.0%
Panamax	3,000-5,999	1,094	21.2%	4,897	23.8%
Panamax	6,000-7,999	278	5.4%	1,859	9.0%
New-panamax	8,000-11,999	588	11.4%	5,339	25.9%
New-panamax	12,000-14,999	216	4.2%	2,932	14.2%
Ultra-large container vessels	15,000+	89	1.7%	1,629	7.9%
Total		**5,152**	**100.0%**	**20,583**	**100.0%**

Source: Shipping Intelligence Network, Clarksons Research, November 2017

The table below shows the total capacity development of the global container ship fleet since the year 2010.

Historical and projected development in container fleet (2010-2017)



Source: Shipping Intelligence Network, Clarksons Research, November 2017

Fleet growth in container shipping is mainly influenced by the global container ship newbuilding orderbook, deliveries of newly-built vessels and the demolition of container vessels. Between 2010 and 2016, global capacity grew at a CAGR of 5.8%. In parallel to continuous fleet capacity growth, the average vessel size increased as well, i.e. from an average capacity of 1,749 TEU in 2000 to 3,847 TEU in 2017.

In 2016, the total container ship fleet grew by 1.2% or a total of 0.25 million TEU, a modest fleet expansion compared to capacity growth of 8.1% in 2015. The relatively low fleet growth in 2016 was mainly due to container ship deliveries being below 1 million TEU for the first time in 5 years (0.9 million TEU) and demolition of container ships reaching a record level of 0.65 million TEU. Contracting of new container ships has also been subdued in 2016, with a total of 0.3 million TEU being ordered.

At the start of Q4 2017, the orderbook of vessels to be delivered over the next two years amounts to 371 ships with a total capacity of 2.8 million TEU, equivalent to 13.8% of the existing fleet in TEU terms, which is low compared to historical figures. The approximate delivery period for a container vessel is 18 to 24 months. For full year 2017, Clarksons forecasts the fleet growth to reach 3.4% or 0.7 million TEU. The volume of deliveries is projected to an amount to 1.1 million TEU in 2017, while the level of demolition is expected to reach 0.45 million TEU in 2017.[4]

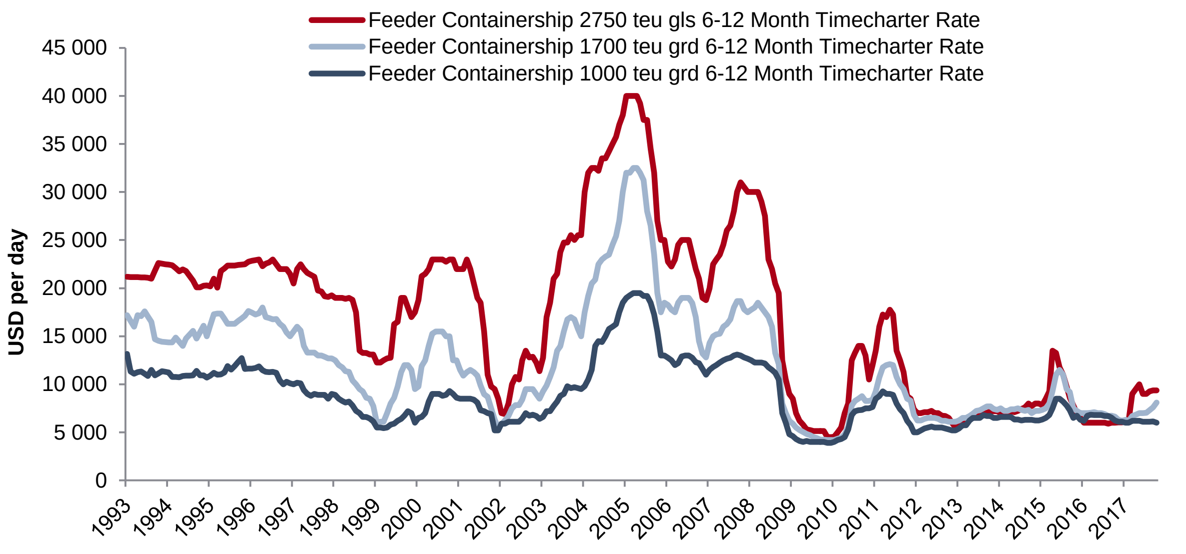
In contrasts to this growth in the total global container fleet, the feeder fleet has remained stable in terms of available vessels and container carrying capacity since 2010. This is due to restricted contracting of feeder newbuildings since the global financial crisis in 2008. The existing order book for feeder vessels stands at approximately 11% of the total feeder fleet, compared to 20% and 87% for vessels with a capacity of 12,000 to 14,999 TEU and >15,000 TEU, respectively.[5]

5.2.3 Charter Rates

As described in Section 5.1.1. the major charterers for container ships owned by tonnage providers, such as the Group, are the liner companies that charter-in vessels to deploy them within their service network. The main factors affecting charter rates are supply and demand for container shipping. Depending on the duration and type of the charter, the rates are determined by the current supply and demand balance and point in the market cycle. Additional factors influencing charter rates are the vessel characteristics, such as age, TEU capacity, design, fuel consumption, speed, gear, reefer container intake and others as well as the specific supply and demand dynamics for specific vessel types.

The container feeder market is dominated by fixed time charter employment, with contract durations varying from weeks up to several years. Time charter rates may fluctuate significantly depending on the development of the supply and demand balance. The chart below illustrates the development of charter rates for standard 1,000 TEU geared, 1,700 TEU geared and 2,750 TEU gearless container vessels since 1993.

Historical development in container charter rates (in USD/day)



Source: Shipping Intelligence Network, Clarksons Research, November 2017

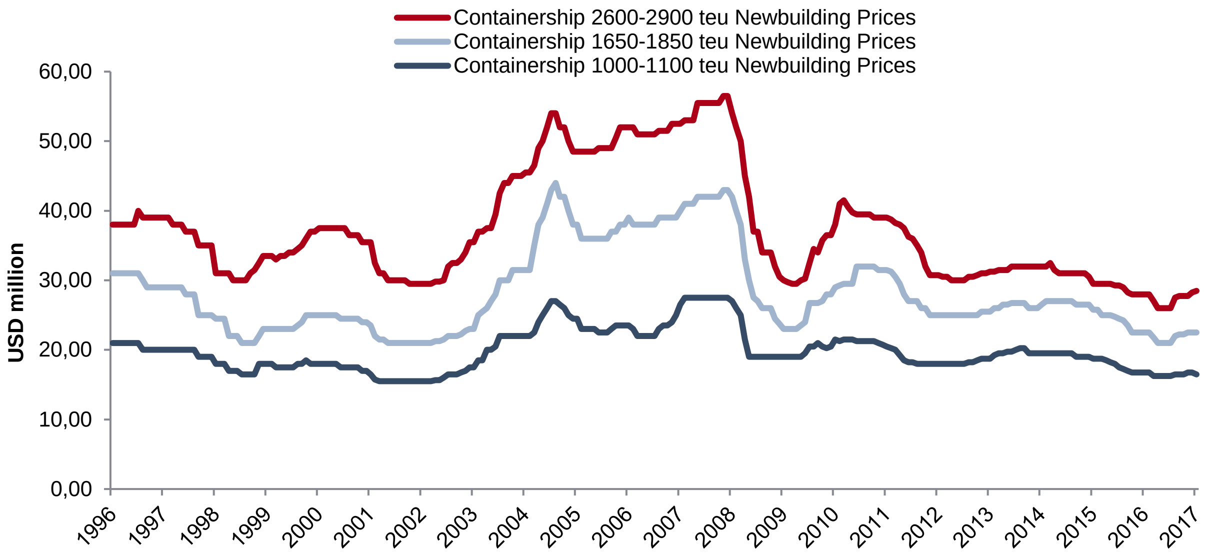
[4] Sources: Container Intelligence Quarterly, Fourth Quarter 2017, Clarksons Research; Alphaliner Monthly Monitor, November 2017.

[5] Source: Alphaliner Monthly Monitor, November 2017.

5.2.4 Newbuilding prices

Newbuilding prices are influenced by factors such as ship type, shipyard capacity, berth cover, design specifications and the steel price, ship materials and engine and machinery equipment. The graph below shows the historical development of newbuilding prices for different sizes of feeder container vessels.

Historical development in container newbuilding prices (USD million)

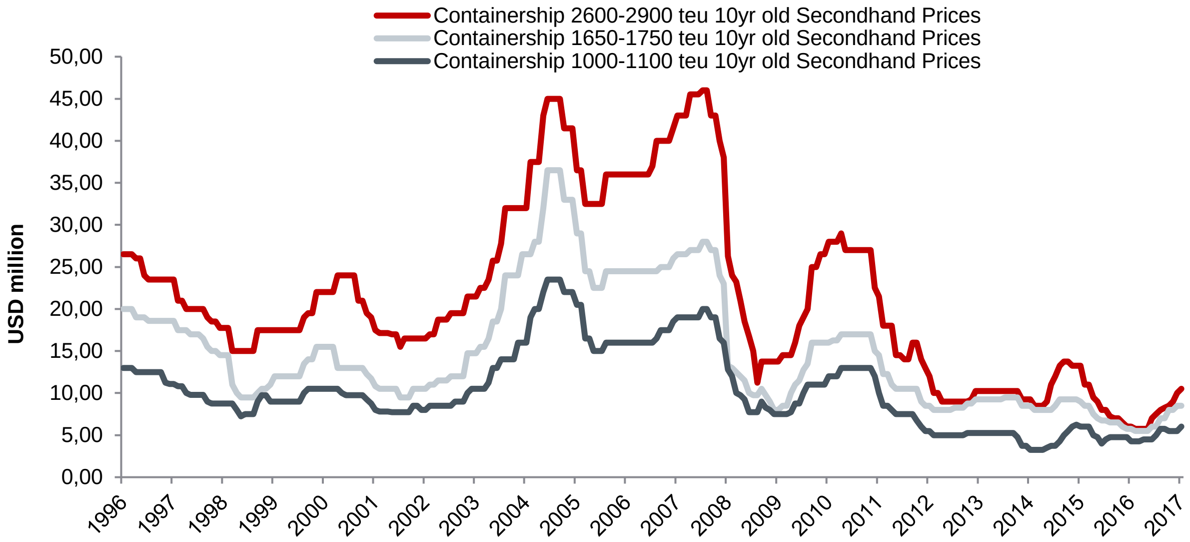


Source: Shipping Intelligence Network, Clarksons Research, November 2017

5.2.5 Secondhand prices

Secondhand vessel prices are driven by prevailing and expected charter rates, newbuilding prices, scrap prices and the overall supply and demand situation. The graph below shows the historical development of secondhand prices for different sizes of 10-year old feeder container vessels.

Historical development in 10year old secondhand feeder container prices (in USD million)



Source: Shipping Intelligence Network, Clarksons Research, November 2017

5.3 Future market expectations

The Company's market belief is that the supply of feeder container ships will grow at a slower pace than demand over the next few years, creating a demand/supply balance that is more favourable for ship owners, following an extended period of oversupply.

If the Company's expectation of an improving supply and demand balance in container shipping proves to be correct, the Company believes that rates for container vessels in this segment will continue to recover in the mid-term, and that secondhand container ship prices will increase accordingly.

5.4 Competitive position

The container shipping industry is highly competitive. The Group's business development and profitability depends on entering into vessel contracts (acquisitions, chartering and sale) in a competitive market environment, based on bidding procedures against other ship owning companies with capacities and competences similar to those of the Group. In the charter market, for example, the Group competes for charters based upon charter rate, operating expertise, customer relationships, and container ship specifications such as size, age and condition. Although the transportation of container is a standardized service, competitors owning more modern container tonnage may be perceived as more attractive counterparties by charterers. However, due to the commoditized nature the Group's service of providing tonnage capacity to liner shipping companies, the Group mainly competes with its competitors based on price. Hence, the Company is not aware of any material relative competitive advantages or disadvantages compared to other container tonnage providers.

Global and regional competition arises primarily from other container ship owners and liner shipping companies that hold possession of own container vessels, some of which have substantially greater resources than the Group. Furthermore, new competitors could enter the market for container vessels and operate larger fleets through consolidation and may therefore or for other reasons be able or willing to accept lower charter rates. Entry barriers to the industry are limited to required investments in fixed assets.

In general, the market for tonnage providers in the container shipping charter market is fragmented, with the ten largest ship owners (non-operating owners) owning 18% of the global container fleet TEU capacity. In 2017, the global container ship fleet was owned by approximately 620 owner groups, i.e. about 8 ships per owner. At the same time, the ten largest liner shipping companies deploy 77% of the global container fleet, due to significant consolidation that has taken place in recent years.[6]

5.5 Trend information

The Company has not experienced any significant recent changes or trends affecting the Company or the container shipping market since the date of the Audited Financial Statements, and as of the date of this Prospectus. For market expectations, see the last paragraphs of Section 5.2.1 and 5.2.2, and Section 5.3.

[6] Sources: Alphaliner Monthly Monitor, December 2017; Container Intelligence Quarterly, Fourth Quarter 2017, Clarksons Research.

6. BUSINESS OF THE GROUP

6.1 Introduction

The Company's principal business is to own and operate maritime assets in the container shipping segment. As a dedicated owner and operator of container ships, the Company has a focus on feeder vessels, mainly between 1,000 and 3,000 TEU, that are chartered out to liner shipping companies and regional carriers.

Consequently, the Company's business comprises of the following activities:

- invest in maritime assets (e.g. vessels, shares in companies owning vessels, loans secured by vessels);
- commercially operate the acquired vessels in the charter market;
- technically manage the acquired vessels; and
- sale of maritime assets previously acquired.

6.2 History and important events

MPC Container Ships ASA, as the parent company of the Group, was incorporated on 9 January 2017 as a private limited liability company under the laws of Norway. The Company was founded by MPC Capital AG, an international asset and investment manager focused on real assets with business address Palmaille 71, 22767 Hamburg, Germany. The Company was initiated in the belief held by its originators and founding shareholders that asset values are at cyclically low levels and that attractive opportunities are present to gain from increasing asset values and the operation of the vessels over a period following the Company's foundation.

The table below provides an overview of key events in the history of the Company since incorporation:

Date	Year	Main events
9 January	2017	Incorporation
20 April	2017	Completion of an initial private placement raising USD 100 million in equity
28 April	2017	Registration on the Norwegian over-the-counter list (ticker: MPCC)
31 May	2017	Listing on Merkur Market at Oslo Stock Exchange (ticker: MPCC-ME)
9 June	2017	Completion of a private placement raising USD 75 million in equity
22 September	2017	Placement of a USD 100 million senior secured bond
23 November	2017	Completion of a private placement raising USD 175 million in equity
16 January	2018	Conversion to a public limited liability company (ASA)

Since inception, the Company completed three equity private placement, raising a total of USD 350 million in gross proceeds. In addition, the Company, via a subsidiary, completed a placement of a USD 100 million senior secured bond with a total borrowing limit of USD 200 million; see Section 9.5 "Borrowings". The net proceeds from these capital raisings have been and will be used for the acquisition of container vessels, working capital requirements and general corporate purposes.

The Company converted from a private limited liability company to a public limited liability company in an extraordinary General Meeting held on 16 January 2018.

The table below provides an overview of the vessels taken over by the Group and a joint venture since incorporation:

Month	Year	Number of vessels taken over into ownership
April	2017	3
May	2017	4
June	2017	5
July	2017	1
August	2017	1
September	2017	8
October	2017	1
November	2017	1
December	2017	5
January	2018	5
Total		**34**

6.3 Strategy

The Group has been able to secure a fleet of 41 feeder container vessels since its inception and until the date of this Prospectus, whereof 5 vessels are owned in a joint venture. As of the date of this Prospectus, the Group has taken over 34 vessels and 7 vessels are expected to be taken over in the course of first quarter of 2018. The Group has a strategy to pursue further fleet growth through disciplined and opportunistic vessel acquisitions, in order to actively manage the cyclicality of the container shipping industry and to become a significant container tonnage provider.

The Company's business plan is based on a recovery of the container shipping market, following an extended period of oversupply; see Section 5.3 "Future market expectations". A more favourable demand/supply balance is expected to cause charter rates for container vessels to recover in the mid-term, in particular in the feeder segment. Such increase in time charter rates would be expected to have a positive influence on secondhand container ship prices.

6.4 Fleet

6.4.1 Current fleet

As of the date of this Prospectus, the Group and a joint venture have acquired ownership interest in and physically taken over a fleet of 34 secondhand container vessels with an average age of 11.1 years and an average acquisition price of USD 8.0 million. The total acquisition prices of this fleet amount to USD 273 million and the estimated useful life of the Group's fleet is 25 years. As of the date of this Prospectus, the expected average remaining useful life is 14 years.

The main particulars and specifications of the current fleet are set forth in the table below:

Vessel	Built	TEU	Gear	Yard	Place of registration
AS LAETITIA	2007	966	2	Yangfan Group Co Ltd	Portugal MAR
AS LAGUNA	2008	966	2	Yangfan Group Co Ltd	Portugal MAR
ANNIKA	2008	982	0	Daesun Shipbuilding	Portugal MAR
AS FLORETTA	2007	1,284	2	Zhejiang Ouhua Shipbuilding Co	Portugal MAR
AS FAUSTINA	2007	1,284	2	Zhejiang Ouhua Shipbuilding Co	Portugal MAR
AS FIORELLA	2007	1,296	2	Zhejiang Ouhua Shipbuilding Co	Portugal MAR
AS FABRIZIA	2008	1,284	2	Zhejiang Ouhua Shipbuilding Co	Portugal MAR
AS FORTUNA	2009	1,345	2	Jiangsu Yangzijiang Shipbuilding	Portugal MAR
HS LISZT	2008	1,345	2	Jiangsu Yangzijiang Shipbuilding	Portugal MAR
FSL SANTOS	2003	1,200	0	Peene-Werft GmbH	Portugal MAR
AS FIONA	2003	1,200	0	Peene-Werft GmbH	Portugal MAR
AS FATIMA	2008	1,284	0	Zhejiang Ouhua Shipbuilding Co	Portugal MAR
OCEAN ARROW	2007	1,713	2	CSBC Corp Taiwan - Keelung	Portugal MAR
MCC DHAKA	2007	1,713	2	CSBC Corp Taiwan - Keelung	Portugal MAR
MAERSK WOLGAST	2010	1,713	2	CSBC Corp Taiwan - Keelung	Hong Kong
AS ANGELINA	2007	2,127	3	Aker MTW Werft GmbH	Portugal MAR
WUHAN TRADER	2008	2,564	3	Xiamen Shipbuilding Industry Co Ltd	Liberia
RIO TESLIN	2004	2,556	4	Hyundai Heavy Inds - Ulsan	Liberia
RIO THELON	2004	2,556	4	Hyundai Heavy Inds - Ulsan	Liberia
RIO TAKU	2004	2,556	4	Hyundai Heavy Inds - Ulsan	Portugal MAR
AS PETRONIA	2004	2,556	4	Hyundai Heavy Inds - Ulsan	Portugal MAR
CIMBRIA	2002	2,824	0	Hyundai Mipo Dockyard Co Ltd	Liberia
CORDELIA	2003	2,824	0	Hyundai Mipo Dockyard Co Ltd	Liberia
AS CARINTHIA	2003	2,824	0	Hyundai Mipo Dockyard Co Ltd	Liberia
AS COLUMBIA	2006	2,742	0	Aker MTW Werft GmbH	Portugal MAR
AS CLARITA	2006	2,846	0	STX Shipbuilding - Jinhae	Portugal MAR
AS CALIFORNIA	2008	2,824	0	Hyundai Mipo Dockyard Co Ltd	Portugal MAR
CARDONIA	2003	2,824	0	Hyundai Mipo Dockyard Co Ltd	Liberia
CARPATHIA	2003	2,824	0	Hyundai Mipo Dockyard Co Ltd	Liberia
AS CLARA	2006	2,742	0	Aker MTW Werft GmbH	Portugal MAR
AS CONSTANTINA	2005	2,742	0	Aker MTW Werft GmbH	Portugal MAR
VILANO	2006	2,742	3	Aker MTW Werft GmbH	Antigua Barbuda
CAP PASADO	2006	2,742	3	Aker MTW Werft GmbH	Antigua Barbuda
CAP BLANCHE	2006	2,742	3	Aker MTW Werft GmbH	Antigua Barbuda

6.4.2 Customers and contract coverage

The Group's vessels are chartered out on time charter contracts to global liner shipping companies and regional carriers. A time charter is a contract for the use of a vessel for a fixed period of time at a specified daily charter rate. Under such time charter contract, the vessel owner, such as the Group, provides crewing and other services related to the vessel’s operation, the cost of which is included in the daily rate; the charterer is responsible for substantially all of the voyage-related expenses, for example fuel costs and port expenses.

The Company's intention is to deploy its container ship fleet on short- to mid-term charter contracts in order to balance cash flow stability with the opportunity to gain from an improving charter market environment. Part of the Group's fleet, in particular the smaller feeder vessels, are employed in a charter pool in order to manage charter revenue risk. The Group has no obligation with respect to the number of vessels to be employed in the charter pool.

For all vessels, time charter contracts are negotiated and entered into by the commercial manager commissioned by the Group; see Section 6.5 "Operations of the Group".

The contract coverage of the Group's fleet as of the date of this Prospectus is set out in the table below.

Vessel	**TEU cluster**	**Charterer**	**Charter rate (USD per day)**	**Period min.**	**Period max.**
AS LAETITIA	1,000 geared	COSCO	6,700	03/2018	04/2018
AS LAGUNA	1,000 geared	Seago Line	6,000	02/2018	11/2018
ANNIKA	1,000 gearless	SITC	7,000	02/2018	04/2018
AS FLORETTA	1,300 geared	Contchart Feeder Pool	Pool	Pool	Pool
AS FAUSTINA	1,300 geared	Contchart Feeder Pool	Pool	Pool	Pool
AS FIORELLA	1,300 geared	Contchart Feeder Pool	Pool	Pool	Pool
AS FABRIZIA	1,300 geared	Contchart Feeder Pool	Pool	Pool	Pool
AS FORTUNA	1,300 geared	Contchart Feeder Pool	Pool	Pool	Pool
HS LISZT	1,300 geared	Dry dock			
FSL SANTOS	1,300 gearless	COSCO	7,000	10/2017	02/2018
AS FIONA	1,300 gearless	Taicang Container Line	7,000	02/2018	05/2018
AS FATIMA	1,300 gearless	Contchart Feeder Pool	Pool	Pool	Pool
OCEAN ARROW	1,700 geared	MCC	9,650	01/2018	09/2018
MCC DHAKA	1,700 geared	MCC	9,650	02/2018	10/2018
MAERSK WOLGAST	1,700 geared	Maersk Line	14,430	04/2020	03/2021
AS ANGELINA	2,200 geared	Seaboard	7,600	07/2019	09/2019
WUHAN TRADER	2,500 geared	MOL	9,250	02/2018	04/2018
RIO TESLIN	2,500 geared	Maersk Line	9,150	02/2018	06/2018
RIO THELON	2,500 geared	CMA CGM	9,000	02/2018	06/2018
RIO TAKU	2,500 geared	CMA CGM	12,000	07/2018	10/2018
AS PETRONIA	2,500 geared	CMA CGM	9,750	08/2018	11/2018
CIMBRIA	2,800 gearless	TS Lines	9,200	12/2017	01/2018
CORDELIA	2,800 gearless	SITC	9,000	01/2018	02/2018
AS CARINTHIA	2,800 gearless	ZISS	9,100	03/2018	04/2018
AS COLUMBIA	2,800 gearless	Sinokor	9,500	03/2018	06/2018
AS CLARITA	2,800 gearless	ZISS	9,250	03/2018	06/2018
AS CALIFORNIA	2,800 gearless	Maersk Line	8,500	12/2017	08/2018
CARDONIA	2,800 gearless	Milaha Maritime	9,000	07/2018	10/2018
CARPATHIA	2,800 gearless	Milaha Maritime	9,000	07/2018	10/2018
AS CLARA	2,800 gearless	Hapag Lloyd	8,950	09/2018	11/2018
AS CONSTANTINA	2,800 gearless	Heung-A	9,250	02/2019	04/2019
VILANO	2800 geared	Transfruit Express	11,500	01/2018	02/2018
CAP PASADO	2800 geared	Hamburg Süd	9,250	03/2018	05/2018
CAP BLANCHE	2800 geared	Hamburg Süd	9,250	03/2018	05/2018

Revenues for the vessels employed in the pool are based on average revenues across the pool the vessels are employed in, i.e. the vessels earn the average charter rate of the pool. Making use of such revenue-sharing arrangement aims at ensuring that pool vessels will continue to earn the average pool revenue in case of idle periods, i.e. reducing the risk of revenue short-falls due to periods of unemployment. Pool vessels will, however, not earn pool revenue during periods of technical off-hire. In addition, each pool vessel will continue to bear its own operational expenses. As of the date of this Prospectus, 24 vessels are part of the Contchart Reefer Pool, six of these are owned by the Group.

As of the date of this Prospectus, the charter contract coverage for 2018 is 39%, based on minimum contract periods and including the vessels employed in a charter income pool.

6.4.3 *Further vessel acquisitions*

Given that the Company seeks to expand its business activity by acquiring further container ships, various transactions are under negotiation. Specifically, the Group entered into purchase agreements (memoranda of agreement) for the purchase of 7 feeder container vessels with a committed purchase price totalling to USD 92 million. The vessels are expected to be taken over by the Group in the course of the first quarter of 2018.

The main particulars and charter contract coverage of the vessels to be taken over by the Group after the date of the Prospectus are set forth in the table below.

Vessel	Built	TEU	Gear	Charterer	Charter rate (USD per day)	Period min.	Period max.
ANTIGONI	2008	1,049	0	Heung-A	7,250	03/2018	06/2018
MAERSK WESTPORT	2009	1,713	2	Maersk Line	14,430	06/2019	05/2020
MAERSK WARSAW	2009	1,713	2	Maersk Line	14,430	04/2019	03/2019
MAERSK WINNIPEG	2010	1,713	2	Maersk Line	14,430	12/2019	11/2020
MAERSK WOLFSBURG	2010	1,713	2	Maersk Line	14,430	02/2020	01/2021
MAERSK WEYMOUTH	2009	1,713	2	Maersk Line	14,430	08/2020	07/2021
MAERSK WIESBADEN	2010	1,713	2	Maersk Line	14,430	11/2019	10/2020

6.5 Operations of the Group

6.5.1 *Technical ship management*

The Company is responsible for the technical ship management (including crewing) of the vessels owned and operated by the Group. In order to utilize the capacity and competence of specialized ship managers, performance of technical ship management services is sub-contracted to Ahrenkiel Steamship GmbH & Co. KG of Hamburg and Ahrenkiel Steamship B.V. of Amsterdam (together "**Ahrenkiel Steamship**"), subsidiaries of MPC Capital AG, and to other third party ship managers on arm's length terms. Although the Company has sub-contracted the technical ship management, the Company remains responsible for the due performance of the services towards the ship-owning subsidiaries. The performance of the sub-contractors is actively monitored and controlled by the Company, in particular in terms of budget compliance and technical maintenance of the vessels. Within a contractually specified scope, the sub-contractors are allowed and requested to take their own decisions when performing their contractual duties with respect to the management of the vessels. Crew for the vessels is sourced by the technical managers from an international crewing agency. In general, the availability of crew has been improved over the last years and is, as of the date of this Prospectus, considered at satisfactory level.

The technical managers are remunerated based on a fixed fee per year, ranging between USD 130.000 p.a. and USD 150.000 p.a., depending of the size of the specific vessel. Based on the terms of the ship management contracts, the remuneration to technical ship managers increases by 2% year-on-year.

The technical ship management agreements are based on the standard ship management contract issued by the Baltic and International Maritime Council ("**BIMCO**"), and contain comparable terms for all sub-contractors. The agreements have a minimum contract period until 31 December 2018 to 30 June 2019 (certain agreements had a minimum contract period until 31 December 2017) and a termination period of three months.

The Company has entered into the following agreements to subcontract the performance of technical management services for its fleet:

Vessel	Technical sub-manager	Commercial manager
AS LAETITIA	Ahrenkiel Steamship	Contchart
AS LAGUNA	Ahrenkiel Steamship	Contchart
ANNIKA	Ahrenkiel Steamship	Contchart
AS FLORETTA	Ahrenkiel Steamship	Contchart
AS FAUSTINA	Ahrenkiel Steamship	Contchart
AS FIORELLA	Ahrenkiel Steamship	Contchart
AS FABRIZIA	Ahrenkiel Steamship	Contchart
AS FORTUNA	Rickmers Reederei	Contchart
HS LISZT	Ahrenkiel Steamship	Contchart
FSL SANTOS	Ahrenkiel Steamship	Contchart
AS FIONA	Columbia Shipmanagement	Contchart
AS FATIMA	Ahrenkiel Steamship	Contchart
OCEAN ARROW	Ahrenkiel Steamship	Contchart
MCC DHAKA	Ahrenkiel Steamship	Contchart
MAERSK WOLGAST	Ahrenkiel Steamship	Contchart
AS ANGELINA	Ahrenkiel Steamship	Contchart
WUHAN TRADER	Ahrenkiel Steamship	Contchart
RIO TESLIN	Ahrenkiel Steamship	Contchart
RIO THELON	Ahrenkiel Steamship	Contchart
RIO TAKU	Ahrenkiel Steamship	Contchart
AS PETRONIA	Ahrenkiel Steamship	Contchart
CIMBRIA	Ahrenkiel Steamship	Contchart
CORDELIA	Ahrenkiel Steamship	Contchart
AS CARINTHIA	Ahrenkiel Steamship	Contchart
AS COLUMBIA	Ahrenkiel Steamship	Contchart
AS CLARITA	Ahrenkiel Steamship	Contchart
AS CALIFORNIA	Ahrenkiel Steamship	Contchart
CARDONIA	Ahrenkiel Steamship	Contchart
CARPATHIA	Ahrenkiel Steamship	Contchart
AS CLARA	Ahrenkiel Steamship	Contchart
AS CONSTANTINA	Columbia Shipmanagement	Contchart
VILANO	Reederei Harmstorf	Contchart
CAP PASADO	Reederei Harmstorf	Contchart
CAP BLANCHE	Reederei Harmstorf	Contchart

6.5.2 Commercial ship management

Commercial management of the vessels owned by the Group is performed by Contchart Hamburg Leer GmbH & Co. KG of Hamburg and Contchart B.V. of Amsterdam (together "**Contchart**"), subsidiaries of MPC Capital AG, on arm's length terms. Third party chartering managers may provide commercial management services to the Group in the future.

The commercial manager is compensated based on a commission, which is calculated as 1.25% of realized time charter revenues per vessel.

As described in Section 6.4.2 "Customers and contract coverage", a number of vessels of the Group are employed in a charter pool. The vessels employed in the feeder pool will earn the average revenue earned by all vessels in the pool segment (revenue-sharing agreement). Contchart is the manager of this pool and receives a pool management fee of 0.25% of realized pool revenues in addition to the above mentioned commercial management fee (1.25%). The cost of the pool (e.g. administrative costs, vessel position costs) is borne by all pool vessels equally. The membership of the respective vessels in the pool is subject to a one-year termination period.

6.5.3 *Corporate and administrative management*

As of the date of this Prospectus, the Group employs four persons. Given this limited organizational setup, the Company has entered into a service agreement with MPC Capital AG, and its subsidiaries, in order to perform parts of its administrative tasks, for instance, with respect to financial reporting and other business management tasks. The corporate and administrative management is remunerated with USD 10,000 per year and vessel. The service agreement may be terminated by both parties with six months' notice.

The Company performs corporate management services for its subsidiaries under respective intra-group corporate management agreements. These services include the supervision and coordination of auditors and other consultants, finance and treasury services as well as general corporate administration.

6.6 Property, plants and equipment

The Company leases its offices in Dronning Mauds gate 3, 0250 Oslo, Norway on market terms. The Group does not own any real estate.

The main assets necessary for the Group's operations and business are container vessels. As of 30 September 2017 the Company had consolidated non-current assets with an aggregated book value of USD 149.9 million, exclusively related to the ownership of container vessels. Thereof, as of 30 September 2017, five container vessels are owned through a joint venture arrangement that is accounted for as a financial investment after the equity method with an attributable book value of USD 16.5 million.

After 30 September 2017, and until the date of this Prospectus, the Group has acquired and taken over 12 vessels with a total purchase price of USD 116 million. The acquisition of further 7 vessels has been committed with a committed purchase price of USD 92 million are expected to be taken over in the course of the first quarter of 2018; see Section 9.4.2 "Future commitments".

For further information about the size and capacity of the Group's fleet, see Section 6.4.1 "Current fleet". Contract coverage of the Group's fleet and the vessels' charter rates are included in Section 6.4.2 "Customers and contract coverage".

As of the date of this Prospectus, 29 vessels are mortgaged in relation to bond or bank financings; see Section 7.1 "Capitalization" and Section 9.5 "Borrowings".

6.7 Research and development

The Group is not involved in research and development activities and has not made investments into such activities in the past.

In the opinion of the Company, its business is not materially dependent on any research and development.

6.8 Dependency on contracts, patents, licences

The Group has no patents or other registered intellectual property that are of significant importance for its operation. The logo of the Company is protected as a trademark registered by MPC Capital AG.

All sub-contractors of the Company performing management services are in possession of the relevant licenses required for the management of the vessels. It is sufficient that such licenses are held by the sub-contractor performing the management services, and not by the Company itself.

As of this date. the Company is depending on the management services provided under the service agreements described in Section 6.5, but in the opinion of the Company, the service providers, including the mandated ship managers, can be replaced in reasonable time periods. Therefore, the Company does not perceive the Group’s existing business or profitability to be materially dependent on any of its service providers and hence its service agreements. In addition, the Company is of the opinion that it is not dependent on any key personnel, however, the loss of key personnel could have a negative effect on the Group's operations. Furthermore, the Company is of the opinion that it is not dependent on any other particular contract regarding its business.

6.9 Insurance

The Group has various insurance policies in relation to the operation of the container vessels owned and operated by the Group, including Hull and Machinery, War Risk insurance, Loss of Hire and Protection and Indemnity insurance.

6.10 Environmental matters

The Company recognizes its environmental responsibility and aims to comply with and maintain high standards in order to limit any negative impact on the environment from the Group’s operations, in particular on the marine environment.

The Company subcontracts performance of technical ship management services to firms that have environmental policies and procedures in place. The aim is to conduct operations with the utmost regard for the safety of employees, the public, the environment and to meet or exceed the industry and customer’s requirements. Quality is reflected in the approach to all aspects of vessel owning, management and operations.

Regulation affects the ownership and operation of the Group’s vessels in a significant manner. The Group is subject to international conventions and national, port state and local laws and regulations applicable to international waters and/or territorial waters of the countries in which the Group’s vessels may operate or are registered, including but not limited to disposal of hazardous substances and wastes, air emissions, and ballast water management. As of the date of this Prospectus, the Company is not aware of particular changes in environmental regulations expected to have a material impact on its operations, other than those already announced or enacted; see Section 9.1 "Significant factors affecting business performance".

6.11 Legal proceedings

The Company is not nor has been since incorporation involved in any legal, governmental or arbitration proceedings which may have or have had significant effects on the Company's and/or the Group's financial position or profitability. The Company is not aware of any such proceedings that are pending or threatening.

7. CAPITALISATION AND INDEBTEDNESS

The information presented below should be read in conjunction with the other parts of this Prospectus, in particular Section 8 "Selected Financial Information" and Section 9 "Operating and Financial Review", and the Audited Financial Statements and the notes related thereto, attached to this Prospectus as Appendix B.

There has been no material change to the Group's capitalisation and net financial indebtedness since 30 September 2017, except for the private placement completed on 23 November 2017 in which the Company raised USD 175 million. See Section 9.6 "Recent developments and changes" for further information about the private placement.

7.1 Capitalisation

The following table sets forth information about the Company's consolidated capitalisation as of 30 September 2017.

in USD thousands, unless otherwise stated	**As of 30 September 2017**[5)] (unaudited)	**Adjustments** (unaudited)	**As adjusted** (unaudited)
Indebtedness			
Total current debt:			
Guaranteed	0	0	0
Secured	0	0	0
Unguaranteed/Unsecured[4)]	5,814	0	5,814
Total current debt	**5,814**	**0**	**5,814**
Total non-current debt:			
Guaranteed	0	0	0
Secured	96,419[1)]	6,000[2)]	102,419
Unguaranteed and unsecured		0	0
Total non-current debt	**96,419**	**6,000**	**102,419**
Total indebtedness	**102,233**	**6,000**	**108,233**
Shareholders' equity			
Share capital	40,836	36,845[3)]	77,681
Legal Reserve	0	0	0
Other Reserves	130,073	133,405[3)]	263,478
Retained earnings	-378	0	-378
Other comprehensive income	89	0	89
Non-controlling interest	4,391	0	4,391
Total shareholders' equity	**175,011**	**170,251**	**345,262**
Total capitalisation	**277,244**	**176,251**	**453,495**

Notes to the capitalisation table:

1) Bond secured by all assets owned by the Bond Issuer and guaranteed by the Company.

[2] Increase of USD 6.0 million in financial indebtedness related to bank debt attained at the level of Sao Paulo Project Holding GmbH & Co. KG. The debt is secured by the vessels RIO TESLIN and RIO THELON.

[3] Increase of USD 37 million in share capital and USD 133 million in additional paid-in capital reserve relate to the private placement completed on 23 November 2017 with total gross proceeds of USD 175 million and net proceeds of USD 170 million. The subscription price in the private placement was fixed at NOK 47.5 per share and the USD amount stated is based on the USD/NOK exchange rate of 8.21.

[4] Current unsecured debt includes trade payables and other current liabilities and provisions.

[5] The values as of 30 September 2017 have been extracted from the Audited Financial Statements.

7.2 Net financial indebtedness

The following table sets forth information about the Company's consolidated indebtedness as of 30 September 2017.

in USD thousands, unless otherwise stated	**As of 30 September 2017**[3]	**Adjustments**	**As adjusted**
	(unaudited)	(unaudited)	(unaudited)
(A) Cash	122,284	176,251[1]	298,535
(B) Cash equivalents	0	0	0
(C) Trading securities	0	0	0
(D) Liquidity (A)+(B)+(C)	**122,284**	**176,251**	**298,535**
(E) Current financial receivables)	**0**	**0**	**0**
(F) Current bank debt	0	0	0
(G) Current portion of non-current debt	133	0	133
(H) Other current financial debt	0	0	0
(I) Current financial debt (F)+(G)+(H)	**133**	**0**	**133**
(J) Net current financial indebtedness (I)-(E)-(D)	**-122,151**	**-176,251**	**-298,402**
(K) Non-current bank loans	0	6,000[2]	6,000
(L) Bonds issued	96,419	0	96,419
(M) Other non-current loans	0	0	0
(N) Non-current financial indebtedness (K)+(L)+(M)	**96,419**	**6,000**	**102,419**
(O) Net financial indebtedness (J)+(N)	**-25,732**	**-170,251**	**-195,983**

Notes to the net financial indebtedness table:

[1] The adjustment of the cash position is due to the net proceeds from the equity private placement completed on 23 November 2017 (USD 170 million) and bank debt attained at the level of Sao Paulo Project Holding GmbH & Co. KG (USD 6 million), and amounts have been paid or committed for vessel acquisitions.

[2] The increase in non-current bank loans is due to a loan facility at the level of Sao Paulo Project Holding GmbH & Co. KG.

[3] The values as of 30 September 2017 have been extracted from the Audited Financial Statements.

7.3 Working capital statement

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

7.4 Contingent and indirect indebtedness

As at 30 September 2017 and as at the date of the Prospectus, the Group did not have any contingent, indirect indebtedness or material off-balance sheet obligations that are not reflected in the Audited Financial Statements.

8. SELECTED FINANCIAL INFORMATION

8.1 Introduction

The following selected financial information has been extracted from the Company's audited interim consolidated financial statements as of, and for the period from the date of incorporation of the Company to 30 September 2017 (the Audited Financial Statements). The Audited Financial Statements for the period from the date of incorporation of the Company to 30 September 2017, have been prepared in accordance with IFRS as adopted by the International Accounting Standards Board (IASB) and approved by the EU.

The selected financial information included herein should be read in connection with, and is qualified in its entirety by reference to the Annual Financial Statements as attached to this Prospectus as Appendix B and should be read together with Section 9 "Operating and Financial Review".

The Company will prepare its financial statements in accordance with IFRS, which requires it to make estimates in the application of its accounting policies based on the Company's best assumptions, judgments and opinions. On a regular basis, the management intends to review the accounting policies, assumptions, estimates and judgments to ensure that the financial information of the Company is presented fairly and in accordance with IFRS. However, because future events and their effects cannot be determined with certainty, actual results could differ from the Company's assumptions and estimates, and such differences could be material. Accounting estimates and assumptions discussed in this section are those that are considered by the Company to be the most critical to an understanding of the Company's financial statements because they inherently involve significant judgments and uncertainties.

The Group is a start-up entity with limited financial history as of 30 September 2017. The first vessels were delivered to the Group and commenced operations in April 2017. Accordingly, the Group's historical financial information may be of limited relevance for the current and expected future operations of the Group. Amongst others things, time charter revenues and operating expenses will increase significantly due to the expected increase in the volume of operations.

The Group and a joint venture have acquired and taken over 34 vessels since its inception until the date of this Prospectus. The vessels currently owned by the Group have not been owned throughout the period covered by the Audited Financial Statements and, consequently, the income statement and the statement of cash-flows included in the Audited Financial Statements do not reflect how the results of operations and cash-flows of the Group would have been if the vessels had been owned for the entire period covered. The Audited Financial Statements should not be seen as an indication of the future performance of the Group.

This Prospectus does not contain pro forma financial statements for the vessel acquisitions until the date of this Prospectus. Except for two vessels acquired through share purchase transactions, all vessels have been acquired through asset transactions, instead of acquisition of the shares of the selling entities, and it has not been possible or relevant to produce historical financial statements which reflect the operation of the vessels prior to their acquisitions by the Group. In addition, the ship-owning subsidiaries of the Company are newly established entities. Pro forma financial statements are accordingly not available. Please see Section 6.4.2 "Customers and contract coverage" for the charter rates under the existing charters for the vessels, Section 6.5 "Operations of the Group" for the costs under the technical and commercial management agreements, and Section 8.7 "Impact of vessel acquisitions" for a description of the effects of the acquisitions on the Company's Audited Financial Statements. The Company is of the opinion that these sections provide sufficient information in order to assess the effects of the vessels acquisitions on the Company's financial position.

8.2 Basis of preparation of financial information

8.2.1 Significant accounting policies

For information regarding accounting policies and the use of estimates and judgements, please refer to note 2, 3 and 4 of the Audited Financial Statements as of, and for the period from the date of incorporation of the Company to 30 September 2017, attached as Appendix B in this Prospectus.

8.2.2 New and amended accounting standards

Standards and interpretations that are issued but not yet effective up to the date of the issuance of the Company's Audited Financial Statements as of, and for the period from the date of incorporation of the Company to 30 September 2017, are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

- IFRS 9 – Financial instruments: Effective for annual periods beginning on or after 1 January 2018. The standard will replace IAS 39 Financial Instruments: Recognition and Measurement. The Company has made a preliminary assessment of the effects of replacing IAS 39 with IFRS 9, and has not identified any material impact on the Group's financial position.

- IFRS 15 – Revenue from contracts with customers: Effective for annual periods beginning on or after 1 January 2018. The standard will supersede all current revenue recognition requirements under IFRS. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring transportation services to the customer. In view of the Group's current practice for recognizing revenues from time charter contracts, the impact of the new standard on the financial statements of the Group is expected to be immaterial.

- IFRS 16 – Leases: Effective for annual periods beginning on or after 1 January 2019. The standard will replace existing IFRS leases requirements. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for each party to a contract, i.e. the lessee and the lessor. The new standard requires lessees to recognize assets and liabilities for most leases, as the principal distinction between operating and finance leases is removed. For lessors, however, IFRS 16 maintains the principal accounting requirements in IAS 17 and lessors continue to differentiate operating leases and finance leases. Management has made a preliminary assessment of the effects of replacing IAS 17 with IFRS 16, and has not identified any material impact on the Group's financial position.

For further information, please refer to note 2 of the Audited Financial Statements as of, and for the period from the date of incorporation of the Company to 30 September 2017, attached to this Prospectus as Appendix B.

8.3 Consolidated statement of comprehensive income

The table below sets out selected data from the Company's consolidated interim statement of comprehensive income for the period from the date of incorporation of the Company to 30 September 2017, as derived from the Audited Financial Statements.

in USD thousands, unless otherwise stated	**Period from incorporation to 30 September 2017** (audited)
Operating revenues	8,219
Commissions	-251
Vessel voyage expenditures	-1,329
Vessel operation expenditures	-5,093
Ship management fees	-421
Gross profit	**1,125**
Administrative expenses	-850
Depreciation and impairment	-1,295
Other expenses	-90
Other income	395
Operating result (EBIT)	**-716**
Share of profit or loss from joint venture	470
Other finance income	214
Finance costs	-240
Profit/Loss before income tax (EBT)	**-272**
Income tax expenses	-64
Profit/Loss for the period	**-336**
Attributable to:	
Equity holders of the Company	-337
Minority interest	1
Total comprehensive profit/loss	**-289**

8.4 Consolidated statement of financial position

The table below sets out selected data extracted from the Company's audited consolidated interim statement of financial position as of 30 September 2017.

in USD thousands, unless otherwise stated	**As of 30 September 2017** (audited)
Assets	**277,243**
Non-current assets	149,926
Vessels	133,456
Financial assets	16,470
Current assets	127,317
Inventories	966
Trade and other receivables	4,066
Cash and cash equivalents	122,284
Unrestricted cash	25,426
Restricted cash	96,858
Equity and liabilities	**277,243**
Equity	175,010
Ordinary shares	170,909
Share capital	40,836
Capital reserves	130,073
Retained earnings	-378
Other comprehensive income	89
Minority interest in equity	4,391
Non-current liabilities	96,419
Interest bearing loans	96,419
Current liabilities	5,814
Interest bearing borrowings	133
Provisions	1,364
Trade and other payables	3,469
Payables to affiliated companies	254
Other liabilities	591

8.5 Consolidated statement of cash flows

The table below sets out selected data from the Company's consolidated statement of cash flows for the period from the date of incorporation of the Company to 30 September 2017, as derived from the Audited Financial Statements.

in USD thousands, unless otherwise stated	**Period from incorporation to 30 September 2017** (audited)
Income before taxes	-272
Income tax expenses	-64
Net change in provisions	1,364
Net change in current assets	-5,033
Net change in current liabilities	4,447
Depreciation	1,295
Cash flow from operating activities	**1,737**
Purchase of vessels	-131,187
Purchase of long-term financial assets	-16,470
Investment in vessels	-3,564
Cash flow from investing activities	**-151,220**
Proceeds from share issuance	180,576
Share issuance costs	-5,214
Proceeds from debt financing	100,000
Debt issuance costs	-3,581
Cash flow from financing activities	**271,781**
Net change in cash and cash equivalents	122,299
Net foreign exchange differences	-16
Cash and cash equivalents at beginning of period	0
Cash and cash equivalents at the end of period	**122,284**

8.6 Consolidated statement of changes in equity

The table below sets out selected data from the Company's consolidated statement of changes in equity for the period ended 30 September 2017, as derived from the Audited Financial Statements.

in USD thousands, unless otherwise stated	**Share capital** (audited)	**Share premium** (audited)	**Retained earnings** (audited)	**Other reserves** (audited)	**Minority interest** (audited)	**Total equity** (audited)
Incorporation	3					**3**
Share issuance	40,832	135,287			4,389	**180,508**
Share issuance costs		-5,214				**-5,214**
Result of the period			-336		1	**-335**
Foreign currency effects			-42		1	**-41**
Other comprehensive income				89		**89**
Equity as at 30 Sept 2017	**40,835**	**130,073**	**-378**	**89**	**4,391**	**175,010**

8.7 Impact of vessel acquisitions

8.7.1 Acquisition of vessels in the period until 30 September 2017

Seven vessels acquired by the Group in a fleet transaction in the period until 30 September 2017 constitute "a significant gross change" for the Company, as defined in Commission Regulation (EC) No. 809/2004 of 29 April 2004 which sets out the requirements to the pro forma financial information which needs to be included in a prospectus, and will therefore significantly impact the Group's financial and income position.

As stated in Section 8.1, no pro forma information has been prepared to show the effect of vessels acquisitions which constituted a significant gross change. The historical financial information required to prepare such pro forma information is not available to the Group. Historical financial accounts prepared by the entities selling the vessels would not in any event be relevant in order to assess the acquisitions effects on the Group's financial position. Therefore, a standard pro forma information prepared in accordance with Annex II to EU Regulation No. 809/2004 would not give a fair description of the impact of transactions on the Group. In addition, charter rates under existing charters for the vessels and costs under the technical and commercial management agreements for the vessels as included in this Prospectus, provide sufficient information is in order to assess the effects of the vessels acquisitions on the Audited Financial Statements. On this basis, no pro forma financial information has been prepared.

If the vessel acquisitions which constitute a significant gross change had been carried out as of the start of the period covered by historical financial information in the Prospectus, i.e. the date of incorporation of the Company, this would have had significant effects on the Audited Financial Statements:

- The amounts of charter revenue, operating expenses and operating result of the Group would have been significantly different from the actual amounts of such items reflected in the Audited Financial Statements (however, for the reasons stated above, it is not possible for the Group to state how these amounts would have been). Notably, the vessels would have generated revenue from the start of the period covered by the Audited Financial Statements and the Group would have incurred operating expenses and maintenance investments related to the operation of the vessels from the same time. The Group would have incurred slightly higher general and administrative expenses in connection with the ownership and operation of a larger fleet of container vessels.

- If the vessels had been acquired at the start of the period covered by the Audited Financial Statements, the Group would have had to raise equity to finance such acquisitions earlier than it actually did. If the vessels had been acquired as of the date of incorporation of the Company it may be assumed that the Group's would have raised equity in the amount of USD 59 million as of that date. This would not have resulted in any change in the Group's balance sheet as of 30 September 2017, i.e. the vessel acquisitions are reflected in the balance sheet.

- The aggregate transaction costs related to acquisitions of vessels in the period covered by the Audited Financial Statements would in the Group's view not have been different if the vessels had been acquired as of the date of incorporation of the Company. The aggregate transaction cost related to acquisitions of vessels in this period was USD 1.2 million.

Below is a list of vessels acquired during the period covered by the Audited Financial Statements with a specification of acquisition costs as of 30 September 2017.

Number of Vessel	Purchase price	Working capital	Transaction costs	Total investment	Equity funding	Debt funding
7	USD 53m	USD 5m	USD 1m	USD 59m	USD 59m	USD 0m

8.7.2 Acquisition of ten vessels in a fleet acquisition announced on 24 November 2017

On 24 November 2017, the Company announced the acquisition of a fleet of ten container vessels. The vessels acquired by the Group in this fleet transaction constitute "a significant gross change" for the Company, as defined in Commission Regulation (EC) No. 809/2004 of 29 April 2004 which sets out the requirements to the pro forma financial information which needs to be included in a prospectus, and will therefore significantly impact the Group's financial and income position.

As stated in Section 8.1, no pro forma information has been prepared to show the effect of the acquisition of this fleet of vessels. The historical financial information required to prepare such pro forma information is not available to the Group. Historical financial accounts prepared by the entities selling the vessels would not in any event be relevant in order to assess the acquisitions effects on the Group's financial position. Therefore, a standard pro forma information prepared in accordance with Annex II to EU Regulation No. 809/2004 would not give a fair description of the impact of transactions on the Group. In addition, charter rates under existing charters for the vessels and costs under the technical and commercial management agreements for the vessels as included in this Prospectus, provide sufficient information is in order to assess the effects of the vessels acquisitions on the Audited Financial Statements. On this basis, no pro forma financial information has been prepared.

If the vessel acquisitions announced on 24 November 2017 had been carried out as of the start of the period covered by historical financial information in the Prospectus, i.e. the date of incorporation of the Company, this would have had significant effects on the Audited Financial Statements:

- The amounts of charter revenue, operating expenses and operating result of the Group would have been significantly different from the actual amounts of such items reflected in the Audited Financial Statements (however, for the reasons stated above, it is not possible for the Group to state how these amounts would have been). Notably, the vessels would have generated revenue from the start of the period covered by the Audited Financial Statements and the Group would have incurred operating expenses and maintenance investments related to the operation of the vessels from the same time. The Group would have incurred slightly higher general and administrative expenses in connection with the ownership and operation of a larger fleet of container vessels.

- If the vessels had been acquired at the start of the period covered by the Audited Financial Statements, the Group would have had to incur debt and to raise equity to finance such acquisitions earlier than it actually did, and the interest expenses of the Group in the period covered by the Audited Financial Statements would accordingly have been higher. If the fleet of ten vessels had been acquired as of the date of incorporation of the Company, it may be assumed that the Group would have raised equity (USD 95 million) and debt (USD 40 million) as of that date. The fixed assets position of the Group as of 30 September 2017 would increase by an amount equivalent to the purchase price of the vessel, i.e. USD 130 million.

- If debt in the amount of USD 40 million had been incurred as of the date of incorporation in the Company, interest expenses in the amount of USD 2 million had been incurred until 30 September 2017.

- The aggregate transaction costs related to acquisitions of vessels would in the Group's view not have been different if the vessels had been acquired as of the date of incorporation of the Company. The aggregate transaction cost related to the acquisition of the ten vessels announced on 24 November 2017 was USD 3.2 million. These costs are not reflected in the Audited Financial Statements since they were incurred after 30 September 2017. If the acquisition had been carried out as of the date of incorporation of the Company, these costs would, however, have been reflected in the Audited Financial Statements.

Below is a list of vessels acquired in the transaction announced on 24 November 2017:

	Number of Vessel	**Purchase price**	**Working capital**	**Transaction costs**	**Total investment**	**Equity funding**	**Debt funding**	**Interest incurred**
	10	USD 130m	USD 2m	USD 3m	USD 135m	USD 95	USD 40m	USD 2m

8.8 Segment information

All of the Group's vessels earn revenue from seaborne container transportation globally. The vessels exhibit similar economic, trading and financial characteristics. The Group is organized in one operating segment, i.e. the container shipping segment.

The Group's vessels trade globally and are suitable for various global trading patterns. Therefore, there is no particular focus on a geographic region. In the period from incorporation of the Company to 30 September 2017, the Group's charter revenues were generated in the following trade regions: 40% intra-north/south America, 24% intra-Europe, 16% intra-Asia and 20% other.

As of the date of this Prospectus and in the period covered by the Audited Financial Statements, the Group has one service, i.e. to offer container transportation capacity by chartering container vessels to liner shipping companies.

8.9 Auditor

The Company's auditor is Ernst & Young AS ("**EY**"), with registration number 976 389 387 and business address at Dronning Eufemias gate 6, 0191 Oslo. EY is a member of The Norwegian Institute of Public Accountants (*Norwegian*: Den Norske Revisorforeningen). EY was elected as the Company's independent auditor at the Company's extraordinary General Meeting on 18 May 2017 and has been the Company's auditor since then. The Company did not have an auditor before 18 May 2017.

EY's audit reports on the Audited Financial Statements are included within the Audited Financial Statements which is attached to this Prospectus as Appendix B. Other than this, EY has not audited or reviewed any other information in this Prospectus.

9. OPERATING AND FINANCIAL REVIEW

This operating and financial review should be read together with Section 4 "Presentation of Information", Section 8 "Selected Financial Information" and the Audited Financial Statements and related notes as attached to this Prospectus as Appendix B. The Audited Financial Statements as of, and for the period from the date of incorporation of the Company to 30 September 2017 has been prepared in accordance with IFRS as adopted by the EU. The Audited Financial Statements have been audited by EY, as set forth in the auditor's reports included herein.

The operating and financial review contains forward-looking statements. These forward-looking statements are not historical facts, but are rather based on the Company's current expectations, estimates, assumptions and projections about the Company's industry, business and future financial results. Actual results could differ materially from the results contemplated by these forward-looking statements because of a number of factors, including those discussed in Section 2 "Risk Factors" and Section 4.5 "Cautionary note regarding forward-looking statements ", as well as other Sections of this Prospectus. See Section 8.2 "Basis of preparation of financial information".

9.1 Significant factors affecting business performance

The Group's results of operations have been, and will continue to be, affected by a range of factors, many of which are beyond the Group's control. The factors that Management believes have had a material effect on the Group's results of operations during the periods under review, as well as those considered likely to have a material effect on its results of operations in the future are described below. The descriptions below are not exhaustive and the sequence of factors is not set out according to their importance.

9.1.1 Macroeconomic and shipping market conditions

Changes in global and regional political and economic activity may impact the demand for containerized transportation of goods and such demand for seaborne containerized transportation is expected to fluctuate with the share of industrial and consumer goods traded internationally due to globalization, outsourcing and international separation of labour, among other factors. Therefore, the demand for, and the pricing of the underlying assets are outside of the Company's control and depend, among other things, on global economic output in industrial and developing countries as well global and regional trade growth. The current macroeconomic situation is uncertain and there is a risk of negative developments. Such changes and developments – none of which will be within the control of the Company – may negatively impact the Group's performance and investor returns. Moreover, the demand for the Group's assets depends on the future organization and network configurations of maritime supply chains, including, but not limited to, consequences of cascading effects on the container feeder segment (i.e. the trend towards larger vessels).

On the supply side, uncertainties are tied to ordering of new feeder container vessels and the scope of future scrapping of tonnage.

Although container shipping offers an efficient way of cargo transportation, the transportation services provided by the Group compete with alternate modes of transportation, such as rail or road transportation. Other innovative transportation solutions may arise, impacting demand for the Group's services.

Industry consolidation on part of liner shipping companies may negatively impact the bargaining power of container ship owners such as the Group.

9.1.2 International operations

The Group's container vessels operate in a variety of geographic regions. Consequently, the Group may be exposed to political risk, risk of piracy, corruption, terrorism, outbreak of war, sanctions and blacklisting, amongst others. The financial condition and results of operations of the Group may be negatively affected if such events do occur.

9.1.3 Technical factors and cost of operations

The technical operation of container vessels has a significant impact on the vessels' economic life expectations. Failure to adequately maintain the technical operation of a vessel may adversely impact the operating expenses of the fleet of vessels and accordingly the potential realization values that can be obtained.

The Group is dependent on the performance of the parties tasked with operating a vessel or overseeing such operation and there can be no guarantee that maintenance of the Group's container vessels is performed according to agreement or satisfaction and in compliance with budgets for operational expenses. Budget compliance with respect to investment in periodical dry dockings and class renewals, among others, will significantly impact the Group's financial position. In addition, the Group is exposed to general price trends for input factors required to operate the vessels owned by the Group, for instance, but not limited to, crew wages, insurance and consumable supplies. Inadequate technical maintenance also influences the availability of vessels in the charter market, impacting the utilization of the Group's fleet.

Technological advancements as well as regulatory requirements may require additional expenditures, impacting the financial performance of the Group. Regulatory requirements include, but are not limited to, compliance with the regulation of carbon and sulphur dioxide emissions by merchant vessels (e.g. the "IMO 2020" regulation in the emission of sulphur dioxides).

9.1.4 Availability of investments

Suitable assets may not always be available at a particular time and the Group may be competing for appropriate investment opportunities with other participants in the markets. It is possible that the level of such competition may increase, which may reduce the number of opportunities available to the Company and/or adversely affect the terms upon which such investments can be made by the Company.

9.2 Results of operations

The accounting period is from the date of incorporation of the Company to 30 September 2017.

The Group's operating revenue amounted to USD 8.2 million for the period ended 30 September 2017. Operating revenue mainly consists of time charter revenue or pool revenue, as applicable.

The Group's total expenses to vessel operations amounted to USD -7.1 million for the period ended 30 September 2017. These expenses mainly consist of vessels' operating expenses of USD -5.1 million, ship management fees of USD -0.4 million and voyage expenses of USD -1.3 million. Vessels' operating expenses consist of crew costs and other costs in relation to vessel technical operations. The Group's total gross profit from vessel operations amounted to USD 1.1 million for the period ended 30 September 2017.

The Group's net financial income amounted to USD 0.5 million for the period ended 30 September 2017. The financial expenses of USD -0.2 million mainly consist of an expense related to financial debt and financial income of USD 0.6 million is mainly due to the equity investments in 2. Bluewater Holding Schifffahrtsgesellschaft GmbH & Co. KG.

The Group's net loss before taxes amounted to USD -0.3 million for the period ended 30 September 2017. The result of the period is influenced by the fact that this is the start-up year for the Group, connected with various initial costs and ramp-up of vessel operations.

9.3 Liquidity and capital resources

9.3.1 Cash flows

Cash flows are from the period from incorporation of the Company to 30 September 2017.

The Group's net cash flow from operating activities for the period ended 30 September 2017 amounted to USD 1.7 million. The operating cash flow comprises income before taxes (USD -0.3 million), taxes (USD -0.1 million), net changes in working capital (USD 0.8 million) and an adjustment for non-cash effects (USD 1.3 million).

The Group's net cash flow used in investing activities for the period ended 30 September 2017 amounted to USD -151.2 million. Cash flow used in purchase of vessels amounted to USD -131.2 million. Other items of the cash flow used in investing activities include investment in a joint venture (USD -16.5 million) as well as capital expenditures for initial investments and dry dockings (USD -3.5 million). As of the date of this Prospectus, the Group and the joint venture have acquired and taken over 34 vessels for total purchase price of USD 273 million.

The Group's net cash flow from financing activities for the period ended 30 September 2017 amounted to USD 271.8 million. A total of USD 175.4 million was paid in by shareholders as net proceeds from two private placements. The net proceeds from the bond issue amount to USD 96.4 million; see Section 9.5 "Borrowings".

9.3.2 Statement of financial position

The Group's total assets as of 30 September 2017 amounted to USD 277.2 million.

The Group's total non-current assets as of 30 September 2017 amounted to USD 149.9 million. Non-current assets consist of 17 consolidated vessels in the amount of USD 133.4 million and financial interest in a joint venture (owning 5 vessels) of USD 16.5 million.

The estimated useful life of a feeder container vessel is approximately 25 years. As of the date of this Prospectus, the expected average remaining useful life of the Group's vessels is 14 years.

The Group's total current assets as of 30 September 2017 amounted to USD 127.3 million. Current assets consist mainly of cash and cash equivalents of USD 122.3 million. Based on the terms of the senior secured bond, USD 96.9 million in cash are restricted bank balance held in an escrow account as of 30 September 2017. Releases of funds from the escrow account are subject to vessel acquisitions and fulfilment of all conditions precedent.

The Group's total equity as of 30 September 2017 amounted to USD 175.0 million. The equity ratio was 63.1%. On 23 November 2017, the Group completed an equity private with net proceeds of USD 170 million, which enhanced the equity base of the Group.

The Group's total liabilities as of 30 September 2017 amounted to USD 102.2 million. The Group's total non-current liabilities as of 30 September 2017 amounted to USD 96.4 million. The Group's Interest Coverage Ratio for the period from incorporation of the Company to 30 September 2017 was at 9.1. Interest Coverage Ratio is defined by the Group as operating income divided by interest expenses, i.e. the Group's earnings before interest and taxes divided on interest payable on the Group's borrowings. Non-current liabilities consist of the senior secured bond. The Group's total current liabilities as of 30 September 2017 amounted to USD 5.8 million.

9.3.3 Capital resources

The principal sources of funds for the Group's liquidity needs are cash flows from operations, capital contributions from shareholders and borrowings.

Consolidated cash and cash equivalents of the Group as of 30 September 2017 amount to an equivalent of USD 122.3 million and are primarily held in USD. Available cash increased after 30 September 2017 in view of the equity private placement complement on 23 November 2017.

The Group has entered into hedging instrument contracts to manage interest rate risk associated with the floating interest rate of the senior secured bond; see 9.5 "Borrowings".

The Group aims at maintaining a capital structure that facilitates a stable development of the Group, taking into account future market uncertainties, investment and vessel maintenance requirements as well as financial covenants.

9.4 Investments

9.4.1 Principal investments

The below table shows the Group's principal investments carried out from the date of incorporation to the date of this Prospectus. Please see Section 6.4.1 for further information about the Group's vessels listed below.

Vessel	Ship-owning entity [1), 2)]	Purchase price	Interest	Funding	Takeover
AS LAETITIA	"AS LAETITIA" ShipCo C.V.	USD 4.8m	99.90%	Existing cash	27.04.2017
AS LAGUNA	"AS LAGUNA" ShipCo C.V.	USD 4.8m	99.90%	Existing cash	05.05.2017
ANNIKA	"AS LAURETTA" ShipCo C.V.	USD 8.0m	99.90%	Bond proceeds	09.01.2018
AS FLORETTA	"AS FLORETTA" ShipCo C.V.	USD 7.4m	99.90%	Existing cash	07.09.2017
AS FAUSTINA	"AS FAUSTINA" ShipCo C.V.	USD 7.4m	99.90%	Existing cash	07.09.2017
AS FIORELLA	"AS FIORELLA" ShipCo C.V.	USD 8.6m	99.90%	Existing cash	21.09.2017
AS FABRIZIA	"AS FABRIZIA" ShipCo C.V.	USD 7.7m	99.90%	Existing cash	08.09.2017
AS FORTUNA	"AS FORTUNA" ShipCo C.V.	USD 7.5m	99.90%	Existing cash	22.06.2017
HS LISZT	"AS FILIPPA" ShipCo C.V.	USD 6.2m	99.90%	Bond proceeds	11.01.2018
FSL SANTOS	"AS FRIDA" ShipCo C.V.	USD 6.2m	99.90%	Bond proceeds	07.12.2017
AS FIONA	"AS FIONA" ShipCo C.V.	USD 5.1m	99.90%	Existing cash	12.06.2017
AS FATIMA	"AS FATIMA" ShipCo C.V.	USD 8.0m	99.90%	Existing cash	01.09.2017
OCEAN ARROW	"AS SOPHIA" ShipCo C.V.	USD 9.5m	99.90%	Bond proceeds	16.01.2018
MCC DHAKA	"AS SERENA" ShipCo C.V.	USD 9.5m	99.90%	Bond proceeds	23.01.2018
MAERSK WOLGAST	"AS SERAFINA" SFG mbH & Co. KG	USD 15.5m	100.00%	Existing cash	19.01.2018
AS ANGELINA	"AS ANGELINA" ShipCo C.V.	USD 5.4m	99.90%	Existing cash	09.08.2017
WUHAN TRADER	"AS Petulia" SFG mbH & Co. KG	USD 9.3m	100.00%	Existing cash	23.11.2017
RIO TESLIN	Rio Teslin OpCo GmbH & Co. KG	USD 8.0m	80.00%	Existing cash	28.09.2017
RIO THELON	Rio Thelon OpCo GmbH & Co. KG	USD 8.9m	80.00%	Existing cash	28.09.2017
RIO TAKU	"AS PAULINA" ShipCo C.V.	USD 9.5m	99.90%	Existing cash	18.05.2017
AS PETRONIA	"AS PETRONIA" ShipCo C.V.	USD 8.7m	99.90%	Existing cash	15.06.2017
CIMBRIA	2. Bluewater "CARPATHIA" SFG & Co. KG	USD 5.7m	50.00%	Existing cash	15.06.2017
CORDELIA	2. Bluewater "CORDELIA" SFG mbH & Co. KG	USD 6.1m	50.00%	Existing cash	31.05.2017
AS CARINTHIA	"AS CARINTHIA" und "CARDONIA" SFG mbH & Co. KG	USD 5.1m	50.00%	Existing cash	12.04.2017
AS COLUMBIA	"AS COLUMBIA" ShipCo C.V.	USD 8.9m	99.90%	Existing cash	28.09.2017
AS CLARITA	"AS CLARITA" ShipCo C.V.	USD 8.9m	99.90%	Bond proceeds	20.10.2017
AS CALIFORNIA	"AS CALIFORNIA" ShipCo C.V.	USD 11.5m	99.90%	Bond proceeds	20.12.2017
CARDONIA	"AS CARINTHIA" und "CARDONIA" SFG mbH & Co. KG	USD 5.4m	50.00%	Existing cash	12.04.2017
CARPATHIA	2. Bluewater "CIMBRIA" SFG mbH & Co. KG	USD 6.4m	50.00%	Existing cash	31.05.2017
AS CLARA	"AS CLARA" ShipCo C.V.	USD 8.8m	99.90%	Existing cash	04.07.2017
AS CONSTANTINA	"AS CONSTANTINA" ShipCo C.V.	USD 7.9m	99.90%	Existing cash	23.06.2017
VILANO	"AS Cleopatra" SFG mbH & Co. KG	USD 10.6m	100.00%	Existing cash	20.12.2017
CAP PASADO	"AS Christiana" SFG mbH & Co. KG	USD 10.6m	100.00%	Existing cash	21.12.2017
CAP BLANCHE	"AS Carlotta" SFG mbH & Co. KG	USD 10.6m	100.00%	Existing cash	21.12.2017

Notes:
1) The Dutch limited partnerships are represented by their respective general partner entities, which hold legal title to the vessels for the limited partnerships.
2) SFG abbreviates "*Schifffahrtsgesellschaft*".

9.4.2 Future commitments

The main particulars of the vessels to be taken over by the Group after the date of this Prospectus are set forth in the table below:

Vessel	Purchase price	Expected takeover	Funding	Ownership interest	Place of registration
ANTIGONI	USD 8.1m	01/2018	Existing cash	100.00%	Liberia
MAERSK WESTPORT	USD 13.5m	01/2018	Existing cash	100.00%	Hong Kong
MAERSK WARSAW	USD 12.8m	01/2018	Bond proceeds	99.90%	Hong Kong
MAERSK WINNIPEG	USD 15.0m	01/2018	Existing cash	100.00%	Hong Kong
MAERSK WOLFSBURG	USD 15.3m	01/2018	Existing cash	100.00%	Hong Kong
MAERSK WEYMOUTH	USD 13.9m	01/2018	Existing cash	100.00%	Hong Kong
MAERSK WIESBADEN	USD 13.5m	02/2018	Existing cash	100.00%	Hong Kong

Apart from the obligations under the Group's bond and bank financing (and associated risk management instruments), as well as agreements to acquire vessels as described above, the Group has not entered into agreements that imply significant financial commitments. The remaining seven committed acquisitions are based on funds already raised and do not require additional future funding. Future commitments will be financed by the Group's operating cash flows and borrowings, as further described in Section 9.5 below.

As of the date of this Prospectus, the Group has made the deposit payments in the amount of 10% of the purchase prices of the vessels to be taken over. The remaining 90% of the purchase prices become due upon physical takeover of the respective vessels during the first quarter of 2018.

The Group does not have any newbuilding obligations.

The operation of the vessels owned by the Group requires continuous investments, including, but not limited to, periodical dry dockings of the vessels.

9.5 Borrowings

As of the date of this prospectus, the Group's interest-bearing debt consists of a bank debt facilities and a senior secured first lien bond placed on 22 September 2017 by MPC Container Ships Invest B.V. (the "**Bond Issuer**", together with its subsidiaries the "**Bond Issuer Group**") and secured by the Company, amongst others.

9.5.1 Bank debt

On 28 November 2017, Sao Paulo Project Holding GmbH & Co. KG, together with its subsidiaries, attained a senior secured, amortizing loan in the amount of USD 6.0 million from M.M. Warburg & CO KGaA. The debt facility is without recourse to the Company and matures on 30 September 2021. The loan agreement contains terms customary for such agreements, including financial maintenance covenants and dividend distribution restrictions.

On 20 December 2017, 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG, together with its subsidiaries, attained a senior secured, amortizing loan in the amount of USD 12.5 million from Ostfriesische Volksbank eG. The debt facility is without recourse to the Company and matures on 31 October 2021. The loan agreement contains terms customary for such agreements, including financial maintenance covenants and dividend distribution restrictions. Given the equity consolidation of 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG, the bank debt attained at this level is not expected to be consolidated in the Group's financial statements.

9.5.2 Bond facility

The following is a summary of material information relating to the terms of the bond, which does not purport to be complete.

9.5.2.1 Description

The Bond Issuer, a fully-owned subsidiary of the Company, has issued a bond with par value of USD 100 million on a floating coupon of 3 month LIBOR for the relevant (quarterly) interest period plus a margin of 4.75% per annum. The bond was issued on 22 September 2017 and is non-amortizing with a maturity of five years from the issue date.

The bond facility has a total borrowing limit of USD 200 million.

The security package comprises market standard first lien security instruments, including, but not limited to, mortgages over the vessels, guarantees, share/interest pledges, assignments of insurances, a parallel debt agreement and pledges over accounts.

9.5.2.2 Parent guarantee

The Company has given a parent guarantee to the bondholders, represented by Nordic Trustee AS in its capacity as bond trustee, to ensure the performance of the Bond Issuer's and the other obligors' obligations under the finance documents of the bond. This parent guarantee contains customary undertakings for these types of financing transactions, including the following:

- the Company shall not change its type of organization or jurisdiction of incorporation, other than the change from a Norwegian private limited liability company into a Norwegian public limited liability company;
- the Company shall maintain direct ownership of 100% of the shares in the Bond Issuer;
- the Company shall not incur, create, permit to subsist or provide guarantee for any unsecured debt under any bond or debt capital markets transaction, unless such indebtedness is non-amortising and with a maturity after the maturity date of the bond.

9.5.2.3 Covenants

Amongst others, the Bond Issuer is subject to the following main covenants under the bond agreement, all of which are in line with common practice for the sector.

Financial and LTV covenants

The Bond Issuer has, at all times, to comply with the following financial maintenance covenants:

- the loan-to-value ("**LTV**") ratio of the vessels owned by the Bond Issuer Group shall not exceed 75.0%; and
- maintenance of a minimum liquidity on a consolidated basis in an amount of no less than the USD equivalent of 5.0% of the consolidated financial indebtedness of the Bond Issuer Group.

In addition, the consolidated book equity ratio of the Group shall at all times be higher than 40%.

Change of control covenant

The terms of the senior secured bond include a change of control clause, pursuant to which the bond becomes payable at 101% of par value by the Bond Issuer in case of a change of control in the Company, which is defined as:

- any person, or group of persons under the same decisive influence, or two or more persons acting in concert obtains decisive influence over the Company, other than MPC Group or its affiliates or other parties acting in concert with MPC Group or its affiliates; or
- a de-listing of the Company's shares from the Merkur Market or another internationally recognized stock exchange (if applicable) that does not occur in connection with a listing of the Company's shares on another internationally recognized stock exchange.

- provided that if MPC Group or its affiliates or other parties acting in concert with MPC Group or its affiliates acquire decisive influence or even 100% of the shares in the Company, and following such acquisition the shares of the Company are de-listed as described above, such de-listing shall not constitute a change of control event as long as the Company is listed on a reputable exchange simultaneously with a Merkur Markets delisting and remains listed until the final maturity date.

Distribution restrictions

Distributions from the Bond Issuer to the Company, such as payment of dividend on shares, repurchase of own shares, redemption of share capital, repayment of group loans or any other similar distribution, are only possible subject to (a) the LTV ratio of the Bond Issuer Group being below 50% (tested pro-forma after any distribution) and (b) the following conditions being met:

- the distribution does not exceed 75% of the Bond Issuer's consolidated "**Adjusted Net Profit**" for the previous calendar year (and where any unutilized portion of such Adjusted Net Profit may not be carried forward). Adjusted Net Profit means the Bond Issuer's consolidated net profit after tax according to the latest financial report, after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising from any vessel disposal, any loss or gain against book value arising from any total loss event including insurance proceeds resulting from such total loss event, and any appreciation made on the vessels;
- the distribution by the Bond Issuer, following a vessel disposal, in an amount not exceeding (a) the amount of the relevant transaction value received as a result of such disposal, less (b) any amounts prepaid in accordance with the relevant prepayment provisions of any financial indebtedness and (c) any transaction and tax cost payable by the Issuer Group in connection with such disposal; and
- the distribution by the Bond Issuer, following a total loss event, in an amount not exceeding the (a) insurance proceeds received as a result of such total loss event, less (b) any amounts prepaid in accordance with the relevant prepayment provisions of any financial indebtedness and (c) any cost payable by the Bond Issuer Group in connection with such total loss event.

9.5.3 Maturity information

The expected maturity of debt obligations of the Group and its joints venture investments are set out in the table below:

in USD thousands, unless otherwise stated	**2018** (unaudited)	**2019** (unaudited)	**2020** (unaudited)	**2021** (unaudited)	**2022** (unaudited)
Group					
Repayment	-640	-640	-640	-4,080	-100,000
Interest payment	-6,870	-7,180	-7,420	-7,410	-5,480
Total	**-7,510**	**-7,820**	**-8,060**	**-11,490**	**-105,480**
2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG					
Repayment	-1,063	-1,063	-1,063	-9,313	0
Interest payment	-560	-550	-520	-250	0
Total	**-1,623**	**-1,613**	**-1,583**	**-9,563**	**0**

Future debt obligations are expected to be paid from future revenues.

9.6 Recent developments and changes

In the period after 30 September 2017 and up to the date of this Prospectus, the following significant changes in the Group's financial condition have occurred:

On 23 November 2017, the Group completed a private placement of 30,250,000 new Shares with gross proceeds of USD 175 million.[7] The Shares were issued at a subscription price of NOK 47.5 per share. Issuance of the shares was completed on 8 December 2017.

On 24 November 2017, the Group entered into purchase agreements (memoranda of agreements) for the acquisition of ten feeder container vessels with a total purchase price of USD 130.0 million.

On 11 December 2017, the Group entered into purchase agreements (memoranda of agreements) for the acquisition of three feeder container vessels with a total purchase price of USD 31.9 million.

On 20 December 2017, the Group entered into purchase agreements (memoranda of agreements) for the acquisition of two feeder container vessels with a total purchase price of USD 16.1 million.

In total, the Group has entered into agreements to acquire 19 vessels with a total purchase price of USD 209 million after 30 September 2017. As of the date of this Prospectus, 12 of these vessels have been taken over and all commitments from the purchase agreements are settled. The remaining 7 vessels with a total committed purchase price of USD 92 million are expected to be taken over by the Group during the first quarter of 2018; see Section 9.4.2 "Future Commitments".

Given the fact that the Company seeks to expand its business activity by acquiring further container ships, various transactions are under negotiation as of the date of this Prospectus. In particular, the Group is in the last stages of negotiating the acquisition of three 2,800 TEU vessels.

On 25 January 2018, the Group announced that it has mandated DNB Markets and Fearnley Securities to arrange for a series of fixed income investor meetings. A tap issue in the Group's outstanding bond may follow subject, among other factors, to market conditions.

[7] The subscription price in the private placement was NOK 47.5 per share, and the gross proceeds of USD 175 million are based on the USD/NOK exchange rate of 8.21.

10. BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

10.1 Introduction

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

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

The Management is responsible for the day-to-day management of the Group's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Company's chief executive officer (the "**Managing Director**") is responsible for keeping the Company's accounts in accordance with prevailing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner. In addition, the Managing Director must according to Norwegian law brief the Board of Directors about the Group's activities, financial position and operating results at least once a month.

10.2 Board of directors

10.2.1 Overview

The Company's Articles of Association provide that the Board of Directors shall consist of between three and seven Board Members.

MPC Capital AG has the right to elect 40% of the members of the board of directors (rounded down). If the aggregate share ownership of MPC Capital AG and affiliates falls below 20% of the total number of shares in the Company, MPC Capital AG shall only have the right to elect one board member. If neither MPC Capital AG nor any MPC Affiliates owns any shares in the Company, MPC Capital AG shall not have the right to elect any board member.

The other members of the Board of Directors shall be elected by the general meeting.

The names, positions and number of shares and options in the Company of the Board Members as at the date of this Prospectus are set out in the table below.

Name	Position	Served since	Term expires
Ulf Holländer	Chairman	April 2017	January 2020
Dr. Axel Schroeder	Director	May 2017	January 2020
Darren Maupin	Director	May 2017	January 2020
Laura Carballo	Director	January 2018	January 2020
Ellen Hanetho	Director	January 2018	January 2020

Ulf Holländer, Dr. Axel Schroeder and Laura Carballo are not considered to be independent from the Company's major shareholders and the Company's management due to their positions in MPC Capital AG and the MPC Group. Ulf Holländer holds the position as Chief Executive Officer of MPC Capital AG and Dr. Axel Schroeder is Managing

Director of MPC Holding and Laura Carballo is associated with STAR Capital Partnership LLP.

Except from the above, the members of the Board of Directors are independent from the Company's major shareholders and management.

Accordingly, as of the date of this Prospectus, the composition of the Board of Directors is in compliance with the independence requirements of the Norwegian Code of Practice for Corporate Governance, dated 30 October 2014 (the Corporate Governance Code), meaning that (i) the majority of the shareholder-elected Board Members are independent of the Company's executive management and material business contacts, (ii) at least two of the shareholder-elected Board Members are independent of the Company's main shareholders (shareholders holding more than 10% of the Shares in the Company), and (iii) no members of the Company's Management serves on the Board of Directors.

The Board of Directors has one sub-committee, the Audit Committee; see Section 10.9.3 "Audit Committee".

The Company's registered office, in Dronning Mauds gate 3, 0250 Oslo, Norway serves as the business address for the Board of Directors and Management in relation to their positions in the Company.

10.2.2 Brief biographies of the Board of Directors

Set out below are brief biographies of the members of the Board of Directors, including their relevant expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a director is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and executive management positions in subsidiaries of the Company).

Ulf Holländer, Chairman

Ulf Holländer (born 1958) completed a commerce degree at the University of Hamburg. From 1984 to 1987 he worked as an audit assistant and auditor at Dr. W Schlage & Co Wirtschaftsprüfungs- und Steuerberatungsgesellschaft in Hamburg. Before joining MPC Capital AG, he held various positions at the shipping company Hamburg Süd in Australia and the U.S. from 1987 to 2000. After three years in finance and accounting at headquarters in Hamburg, Ulf Holländer worked as a financial controller at Columbus Overseas Services Pty. Ltd. from 1990 to 1992, and then as a commercial director at Columbus Line USA Inc. from 1992 to 1996. Finally, Ulf Holländer took on the role of head of Hamburg Süd's finance and accounting department from 1997 to 2000. Ulf Holländer has worked for the MPC Capital Group since 2000, firstly as Chief Financial Officer from July 2000 until April 2015, and since then as the Chief Executive Officer of MPC Capital AG.

Current directorships and senior management positions...............	MPC Capital AG (chief executive officer), Metall Chemie Holding GmbH (member of the advisory board), Verwaltungsgesellschaft Oil Rig Plus mbH (managing director), Verwaltung Achte Sachwert Rendite-Fonds Holland GmbH (managing director), Verwaltung Fünfte Sachwert Rendite-Fonds Holland GmbH (managing director), Verwaltung SHV Management Participation GmbH (manging director), MPC Real Estate Holding GmbH (managing director), Verwaltung Asien Opportunity Real Estate Investor GmbH (managing director), Verwaltungsgesellschaft Achte MPC Global Equity mbH (managing director), Verwaltungsgesellschaft Elfte MPC Private Equity mbH(managing director), Verwaltungsgesellschaft Neunte Global Equity mbH (managing director), Verwaltungsgesellschaft Siebte MPC Global Equity mbH (managing director), Beteiligung MPC Global Maritime Opportunity GmbH (managing director), MIG

	Maritime Invest Verwaltungsgesellschaft mbH (managing director), Verwaltung "Rio Montevideo" Schifffahrtsgesellschaft mbH (managing director), Verwaltung Beteiligungsgesellschaft "Rio D-Schiffe" mbH (managing director), Verwaltung Beteiligungs-gesellschaft MS "SANTA -B Schiffe" mbH (managing director), Verwaltung MPC Global Maritime Opportunity Private Placement GmbH (managing director). MPC Achte Vermögens-verwaltungsgesellschaft mbH (managing director), MPC Erste Vermögensverwaltungsgesellschaft mbH.
Previous directorships and senior management positions last five years	MPC Venture Invest AG (chairman), MPC Capital AG (chief financial officer), Ferrostaal GmbH (member of the supervisory board), Ferrostaal GmbH (member of the advisory board), MPC Capital Austria AG (chairman).

Dr. Axel Schroeder, Director

Dr. Axel Schroeder (born 1965) studied economics and social sciences at the University of Hamburg from 1985 to 1990, before completing a doctorate there in 1993. Dr. Axel Schroeder has been working both in Germany and abroad for the MPC Group, of which the MPC Capital AG is also a part, since as early as 1990. He has been actively involved in shaping the destiny of MPC Capital AG since its inception in 1994. He took on the position of Chief Executive Officer of MPC Capital AG in 1999 and led it to its listing on the stock exchange in 2000. After serving as Chief Executive Officer of MPC Capital AG until 2015, Dr. Axel Schroeder has been appointed as Chairman of the Supervisory Board of MPC Capital AG in April 2015. Since July 2015, he has been focusing in his capacity as managing partner of MPC Münchmeyer Petersen & Co. GmbH on developing the MPC Group. Dr. Axel Schroeder is managing partner of MPC Participia GmbH and CSI Beteiligungsgesellschaft mbH.

Current directorships and senior management positions................	MPC Münchmeyer Petersen & Co. GmbH (managing director), MPC Capital AG (chairman of the supervisory board), Ahrenkiel Steamship GmbH & Co. KG (member of the advisory board), Haldor Topsoe AS (member of the advisory board), MPC Investments GmbH (managing director), MPC Participia GmbH (managing director), Quintance GmbH (managing director), SIG Santos Investments Verwaltung GmbH (managing director), Palmaille Immobilienholding GmbH (managing director), Verwaltung CSI Container Ships Investment GmbH (managing director), CSI Beteiligungsgesellschaft mbH (managing director) CCC Industries GmbH (managing director), MPC Marine GmbH (chairman of the advisory board), MPC Münchmeyer Petersen Capital Stiftung (chairman).
Previous directorships and senior management positions last five years	MPC Capital AG (chief executive officer), MPC Capital Austria AG (managing director), Ferrostaal GmbH (member of the advisory board), Ahrenkiel Steamship GmbH & Co. KG (member of the advisory board).

Darren Maupin, Director

Darren Maupin (born 1976) earned a BA in Economics & Finance from Boston College and also studied at the London School of Economics and Beijing Language and Culture University. He worked as an Analyst and International Diversified Fund Manager at Fidelity Investments in Boston, London, and Hong Kong from 1998 to 2007. Since 2009 Mr Maupin is the founder and a director of the Pilgrim Global ICAV, its predecessors, and associated value-oriented investment funds. He is also a founder and executive director of Anglo International Shipping Co Ltd, a Dry Bulk shipping company. He has served as a non-executive director of both private and publicly listed companies in a variety of industries.

Current directorships and senior management positions................	Pilgrim Global ICAV (director), Pelerin Global Corp (director), Anglo International Shipping Operations Ltd (director)
Previous directorships and senior management positions last five years	n/a

Laura Carballo, Director

Laura Carballo (born 1976) holds a B.S. in Economics from Duke University and an MBA from INSEAD. Laura worked at Merrill Lynch from 1998 to 2000 before joining Compass Partners International, a European private equity fund manager. In April 2004, Laura Carballo joined STAR Capital Partners Limited, a European Private Equity fund manager, and the predecessor of the STAR Capital Partnership LLP. At STAR Capital Partnership LLP she has been involved in various investments across a range of sectors including transportation, healthcare and cable TV. Laura is currently a Partner and Head of Portfolio Management at STAR Capital Partnership LLP.

Current directorships and senior management positions................	STAR Mayan Limited (director).
Previous directorships and senior management positions last five years	CARE Europe 2 S.a.r.l (director), Eversholt Investment Group (Luxembourg) S.a.r.l (director), Pepcom GmbH (director).

Ellen Hanetho, Director

Ellen Hanetho (born 1964) is the CEO of Frigaard Invest AS, an Oslo based investment company within Frigaardgruppen. Prior to her current position, Ellen was an investment manager and later a partner in Credo Partners AS from 2003 to 2012, and she was an analyst and later a senior associate in the Investment Banking division of Goldman Sachs International Ltd from 1997 to 2002. Ellen holds an MBA from Solvay Business School and a BSBA in Business and Administration from Boston University. She currently serves on the board of directors of NextGenTel Holding ASA, Kongsberg Automotive ASA and Fearnley Securities AS.

Current directorships and senior management positions................	Frigaard Invest AS (chief executive officer), NextGenTel Holding ASA (director), Fearnley Securities AS (director) and Kongsberg Automotive ASA (director).
Previous directorships and senior management positions last five years	Credo Kapital AS (Managing Partner), Agasti Holding ASA (director), Crudecorp ASA (director), ScanArc ASA(director).

10.2.3 Shares held by the Board of Directors

As presented in the table below, none of the Board of Directors holds any shares or warrants in the Company as of the date of this Prospectus[8]:

[8] Non-controlling, beneficial economic interests are held in entities that own shares and warrants in the Company.

Name	Position	Options	Warrants	Shares
Ulf Holländer	Chairman	0	0	0
Dr. Axel Schroeder	Director	0	0	0
Darren Maupin	Director	0	0	0
Laura Carballo	Director	0	0	0
Ellen Hanetho	Director	0	0	0

10.3 Management

10.3.1 Overview

The Company's executive management team consists of the Managing Director, Mr. Constantin Baack. Constantin Baack has been the Company's Managing Director since April 2017.

MPC Capital AG, and its subsidiaries, have entered into a service agreement with the Company in order to perform parts of the operational business of the Company, in particular with respect to administrative management tasks; for instance, financial reporting and corporate accounting.

10.3.2 Brief biography of the Managing Director

Set out below is a brief biography of the Managing Director, including relevant management expertise and experience and an indication of any significant principal activities performed by him outside the Company and names of companies and partnerships of which a member of the management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and executive management positions in subsidiaries of the Company).

Constantin Baack, Managing Director

Constantin Baack (born 1979) studied business administration at the University of Hamburg and the University of Sydney and received a Graduate Diploma and a Master of Science in international business from the University of Sydney. Prior to joining the MPC Group he worked for the shipping company Hamburg Süd in Sydney and the auditing company Ernst & Young in Hamburg and Shanghai. Constantin Baack joined the MPC Group in April 2008 and since then held various managerial positions in Germany and abroad, including managing director of Ahrenkiel Steamship and Head of Shipping of the MPC Group. He was appointed as the Chief Financial Officer of MPC Capital AG in April 2015.

Current directorships and senior management positions...............	MPC Capital AG (chief financial officer), Njord Handy AS (director), Verwaltung Bluewater Investments GmbH (managing director), MPC Maritime Holding GmbH (managing director), 2. Bluewater Holding Verwaltung GmbH (managing director), MPC CCEF Participation GmbH (managing director), Verwaltung MPC Capital Beteiligungs-gesellschaft mbH (managing director), Palmaille Ship Invest GmbH (managing director), Stiftung Maritime Forschung (advisory board).
Previous directorships and senior management positions last five years	Verwaltung MPC Shipping Beteiligungsgesellschaft mbH (managing director),Verwaltung Ahrenkiel Steamship GmbH (managing director), Sao Paulo Project Holding Verwaltungs GmbH (managing director), MT Rio Durango Cooperatief U.A. (managing director), MPC Global Maritime Opportunities S.A. SICAF (director), Verwaltung Trevamare Fleet 2 GmbH (managing director), Verwaltung Trevamare Fleet 1 Holding GmbH (managing director), Verwaltung Ahrenkiel Steamship Asset Holding GmbH (managing director), Verwaltung MT AS Danubia GmbH (managing director), Verwaltung Trevamare Fleet 2 Borrower GmbH (managing director), Ahrenkiel Verwaltungs- und Beteiligungs GmbH (managing director), Trevamare Management Holding GmbH (managing director), Verwaltung Trevamare Fleet 3 Borrower GmbH (managing director), Verwaltung Trevamare Fleet 3 Holding GmbH (managing director), Treva Asset Holding Verwaltungsgesellschaft mbH (managing director), Rio Teslin OpCo Verwaltungs GmbH (managing director).

10.3.3 Shares held by the members of the management

The Managing Director holds no shares, options or warrants in the Company.

10.4 Service contracts to the Board of Directors and the members of the executive management

The Company and its subsidiaries have not entered into any service contracts with members of the Management or the Board of Directors of the Company.

10.5 Remuneration and benefits

10.5.1 Remuneration of the Board of Directors

The total amount of remuneration paid to the board members since incorporation of the Company until the date of this Prospectus is NOK 500,000. The table below sets out the remuneration paid to the Board Members:

Name	Position	Director's fee	Other remuneration	Total remuneration
Ulf Holländer	Chairman	NOK 100,000	-	NOK 100,000
Dr Axel Schroeder	Director	NOK 100,000	-	NOK 100,000
Robert Knapp[9]	Director	NOK 100,000	-	NOK 100,000
Darren Maupin	Director	NOK 100,000	-	NOK 100,000
Dr Ottmar Gast[10]	Director	NOK 100,000	-	NOK 100,000
Laura Carballo[11]	Director	-	-	-
Ellen Hanetho[12]	Director	-	-	-

[9] Resigned as member of the Board of Directors at the extraordinary general meeting on 16 January 2018.

[10] Resigned as member of the Board of Directors at the extraordinary general meeting on 16 January 2018.

[11] Elected at the extraordinary general meeting on 16 January 2018.

[12] Elected at the extraordinary general meeting on 16 January 2018.

10.5.2 Remuneration of the Management

The Management has not received remuneration since incorporation of the Company until the date of this Prospectus.

10.6 Loans and guarantees

The Company has not granted any loans, guarantees or other commitments to any of its Directors or to any member of the executive management team of the Group.

10.7 Employees

10.7.1 Overview

As of the date of this Prospectus, four persons are direct employees in the Group which perform day-to-day financial- and asset management tasks. The Company will employ additional qualified personnel in due course.

10.7.2 Arrangements for involving the employees in the capital of the Company

The Company has not initiated any share-based or option-based incentive programs for its employees.

10.8 Pension and retirement benefits

The Company has not initiated any pension, retirement or similar benefit schemes.

No members of the Company’s Board of Directors or Management are provided with any benefits upon termination of service.

10.9 Board committees

10.9.1 Nomination committee

The Company has not established a nomination committee.

10.9.2 Remuneration committee

The Company has not established a remuneration committee.

10.9.3 Audit committee

The Board of Directors has established an audit committee composed of three Board Members. The current members of the audit committee are Ulf Holländer (chairman), Laura Carballo and Ellen Hanetho.

The primary purposes of the audit committee are to act as a preparatory and advisory committee for the Board of Directors in questions concerning accounting, audit and finance. In particular, the audit committee shall:

- Monitor, amongst others, the financial reporting and risk management process, and the statutory audit of the annual and consolidated accounts,
- Monitor and review the independent auditor's qualifications and independence and the Company's internal accounting function; and
- Monitor the Group's compliance with applicable legal and regulatory requirements, and the Group's compliance with its governance policies.

The audit committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

10.10 Conflicts of interest

MPC Capital AG, and its subsidiaries, will continue to conduct business in the merchant shipping industry, including the container shipping segment. The Company holds a right of first refusal on all transactions in the Company's target container shipping segment presented to MPC Capital AG and its subsidiaries. The Company's Chairman of the Board of Directors and the Managing Director continue to be employed by MPC Capital AG. Dr. Axel Schroeder is Chairman of the Supervisory Board of MPC Capital AG.

See Section 11 "Related Party Transactions" for a description of service arrangements with close associates.

Other than as described above, there are no potential conflicts of interest between any duties to the Company of the members of the Board or the Company's Management, and their private interests or other duties.

There are, at the date of this Prospectus, no actual or potential conflicts of interest between the Company and the private interests or other duties of any of the Board Members and the members of the Management, including any family relationships between such persons.

10.11 Convictions for fraudulent offences, bankruptcy

None of the members of the Board of Directors or the Management have during the last five years preceding the date of this Prospectus:

- experienced any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his/her capacity as a founder, director or senior manager of a company or partner of a limited partnership.

10.12 Corporate governance

The Company has, with effect from the Listing, adopted and implemented a corporate governance regime which complies with the Norwegian Code of Practice for Corporate Governance, dated 30 October 2014, save for the following deviations:

- The Company has not appointed a nomination committee; see Section 10.9.1 "Nomination Committee". This represents a deviation from section 4 of the Corporate Governance Code. The Board of Directors aims to ensure that the interests of the shareholder base are taken into account regarding the composition of the Board of Directors.
- MPC Capital AG has the right to elect 40% of the members of the Board of Directors (rounded down). If the aggregate share ownership of MPC Capital AG and affiliates falls below 20% of the total number of shares in the Company, MPC Capital AG shall only have the right to elect one board member. If neither MPC Münchmeyer Petersen Capital AG nor any MPC Affiliates owns any shares in the

Company, MPC Münchmeyer Petersen Capital AG shall not have the right to elect any board member. The reason for this deviation from the Code is that MPC Capital AG is both the founder of the Company and responsible for important management functions, and it has been considered important to ensure that MPC Capital AG has a presence on the Board of Directors.

The Company will on an annual basis provide statements on its compliance with the Corporate Governance Code.

11. RELATED PARTY TRANSACTIONS

11.1 Introduction

Below is a summary of the Group's related party transactions for the periods covered by the historical financial information and up to the date of this Prospectus. For further information on related party transactions of the Group, please refer to note 19 of the Audited Financial Statements, attached as Appendix B in this Prospectus.

All related party transactions have been concluded as a part of the Group's ordinary course of business and at arm's length.

11.2 Service agreements

To provide the Group with access to important and required knowledge and resources, the Group has entered into agreements with the following related parties: MPC Capital AG, MPC Maritime Investments GmbH, Ahrenkiel Steamship and Contchart regarding, respectively, administrative services, technical ship management services, and commercial ship management services. MPC Capital AG and its subsidiaries are regarded as related parties in view of the affiliation to Directors and Management of the Company.

11.2.1 Administrative and corporate management

The Company has entered into a service agreement with MPC Capital AG and Maritime Investments GmbH in order to perform parts of the administrative tasks of the Company, in particular with respect to corporate management (e.g. financial reporting, legal) and asset management (e.g. asset sourcing, investment process).

The fee is subject to an annual evaluation and the agreement can be terminated by both parties with six months' notice. See Section 6.5.3 "Corporate and administrative management" for further information about the fees and the service agreement in general.

11.2.2 Technical sub-management agreements with Ahrenkiel Steamship

The Company is responsible for the technical management (including crew management) of the vessels owned by the Group. In order to utilize the capacity and competence of specialized ship managers, performance of technical and nautical services is subcontracted to Ahrenkiel Steamship, a subsidiary of MPC Capital AG, and other third party ship managers on arm's length terms.

The Company and 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG have entered into technical ship management and crewing sub-agreements for 28 vessels with Ahrenkiel Steamship who has the right to subcontract services to other ship managers; see Section 6.5 "Operations of the Group". The technical managers are remunerated based on a fixed fee per year, ranging between USD 130.000 p.a. and USD 150.000 p.a. See Section 6.5.1 "Technical ship management" for further information about the remuneration for the technical managers and the management agreements in general.

The technical ship management agreements contain provisions customary for such agreements.

The Company has entered into a framework agreement in order to define the terms and conditions for all agreements with respect to the sub-contracting of ship management services with Ahrenkiel Steamship, a subsidiary of MPC Capital AG.

11.2.3 *Commercial management agreements with Contchart*

All vessel owning subsidiaries of the Company have entered into commercial management agreements with Contchart, a subsidiary of MPC Capital AG.

The commercial ship management agreements contain provisions customary for such agreements. See Section 6.5.2 "Commercial ship management" for further information about the remuneration for the technical managers and the management agreements in general.

The Company has entered into a framework agreement in order to set the terms and conditions for all agreements with respect to commercial ship management with Contchart.

11.2.4 *Overview of related party service transactions*

The following table outlines the value of service agreements between the Company and related parties for the period from incorporation to 30 September 2017.

in USD thousands	**Period from incorporation to the date of the Prospectus**
MPC Capital AG	38
MPC Maritime Investments GmbH	75
Ahrenkiel Steamship	1,196
Contchart	256

11.3 Vessel acquisitions

11.3.1 *Acquisition of AS LAETITIA*

The Company entered into an agreement dated 16 May 2017 to acquire the partnership interest in the vessel-owning entity of the vessel AS LAETITIA from a subsidiary of MPC Capital AG. In order to secure the acquisition of the vessel AS LAETITIA prior to the initial capital raising the Company, MPC Capital Beteiligungsgesellschaft mbH & Co. KG, a subsidiary of MPC Capital AG, acquired and warehoused the vessel and transferred the ship-owning entity to the Group at cost. The purchase price of AS LAETITIA was USD 4.8 million.

11.3.2 *Acquisition of AS LAGUNA*

The Company entered into an agreement dated 16 May 2017 to acquire the partnership interest in the vessel-owning entity of AS LAGUNA from a subsidiary of MPC Capital AG. In order to secure the acquisition of AS LAGUNA prior to the initial capital raising of the Company, MPC Capital Beteiligungsgesellschaft mbH & Co. KG, a subsidiary of MPC Capital AG, acquired and warehoused the vessel and transferred the ship-owning entity to the Group at cost. The purchase price of AS LAGUNA was USD 4.8 million.

11.3.3 *Acquisition of AS PAULINA*

In order to secure the acquisition of AS PAULINA prior to the initial capital raising of the Company, MPC Capital Beteiligungsgesellschaft mbH & Co. KG, a subsidiary of MPC Capital AG, acquired and warehoused the vessel. The vessel was transferred to a subsidiary of the Company at cost. The purchase price of AS PAULINA was USD 9.5 million.

11.3.4 Establishment of 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG

In order to secure the establishment of the joint venture project company 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG prior to the initial capital raising of the Company, MPC Capital AG, via a subsidiary, entered into the joint venture.

The Company entered into an agreement dated 16 May 2017 to acquire the partnership interests in 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG from MPC Capital AG, via a subsidiary, in order to accede to the joint venture. Given that MPC Capital AG, via a subsidiary, made a capital contribution to 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG in the amount of USD 7.0 million, the partnership interests in 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG were transferred to the Company at a price of USD 7.0 million in cash. The partnership interests in 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG were transferred to the Company immediately upon signing, with economic effect as of 11 April 2017.

12. CORPORATE INFORMATION AND DESCRIPTION OF SHARE CAPITAL

The following is a summary of material information relating to the Shares and share capital of the Company and certain other shareholder matters, including summaries of certain provisions of the Company's Articles of Association and applicable Norwegian law in effect as at the date of this Prospectus. The summary does not purport to be complete and is qualified in its entirety by the Company's Articles of Association and applicable law.

12.1 General corporate information

The legal and commercial name of the Company is MPC Container Ships ASA. The Company was founded on 9 January 2017 and converted to a public limited liability company on 16 January 2018. The Company is a Norwegian public limited liability company incorporated under the laws of Norway and is governed by the Norwegian Public Limited Liability Companies Act. The Company is registered with the Norwegian Register of Business Enterprises under the organisation number 918 494 316.

The Company's registered office is at Dronning Mauds gate 3, 0250 Oslo, Norway. The Company's main telephone number is +47 477 95 246. The Company's website can be found at *www.mpc-container.com*. The content of *www.mpc-container.com* is not incorporated by reference into or otherwise forms part of this Prospectus.

12.2 Legal structure

The Group is organised with MPC Container Ships ASA as the parent company. As of the date of this Prospectus, the Company holds ownership interest in a fleet of 34 container vessels, in particular via the following intermediate holding companies:

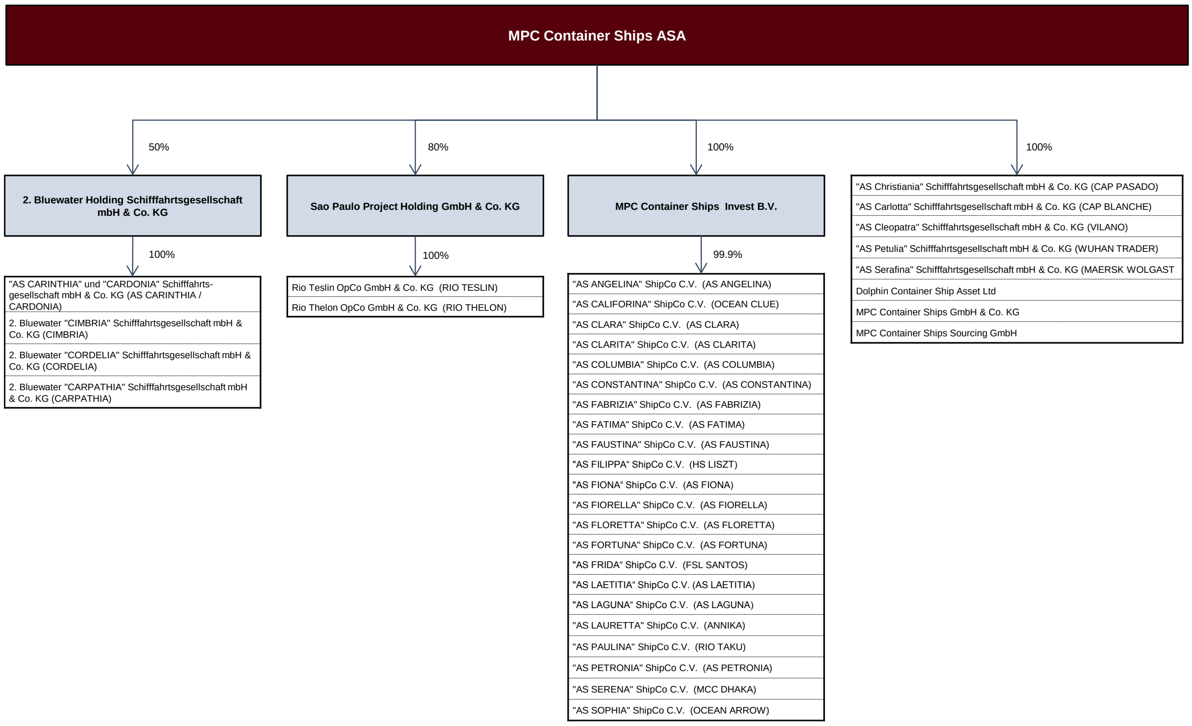
- *Bond Issuer Group*: The Company holds a 100% interest in MPC Container Ships Invest B.V., which holds 99.9% of the shares/partnership interests in the relevant vessel-owning subsidiaries. MPC Container Ships Invest B.V. and its subsidiaries are incorporated and registered in the Netherlands. As of the date of this Prospectus, 22 container vessels have been acquired in this part of the Group. MPC Container Ships Invest B.V., together with its subsidiaries, is referred to as the Bond Issuer Group; see Section 9.5 "Borrowings". In the process of structuring the senior secured bond issued by the Bond Issuer, the vessels now owned by the Bond Issuer Group were transferred from German limited partnerships to Dutch limited partnerships by virtue of cross-border absorptions of the German ship-owning SPVs by the Dutch SPVs.

- *Sao Paulo Vessels*: The Company has acceded to and assumed an 80% limited partnership interest in the holding company under the name Sao Paulo Project Holding GmbH & Co. KG is incorporated in Germany and has its registered seat in Hamburg, Germany. As of the date of this Prospectus, 2 container vessels belong to this part of the Group.

- *Bluewater Joint Venture*: The Company further holds a 50% limited partnership interest in the joint venture holding company under the name 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG is incorporated in Germany and has its registered seat in Hamburg, Germany. The remaining shares in Bluewater Holding Schifffahrtsgesellschaft mbH & Co are held by WLR/TRF Shipping S.a.r.l. As of the date of this Prospectus, 5 container vessels have been acquired in this part of this joint venture. 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG and its subsidiaries are accounted for as a joint venture and are not subsidiaries to the Company.

The following chart shows the corporate structure of the Group as of the date of this Prospectus:

Group structure



Note: General partner companies and non-operating companies (e.g. shelf companies for future vessel acquisitions) have been omitted from this illustration.

Below is a description of the companies in which the Company has a direct or indirect ownership interest in as of the date of this Prospectus.

Subsidiaries	Domicile	Function[1)]	Interest held
MPC Container Ships Invest B.V.	Netherlands	Holding entity	100.0%
MPC Container Ships GmbH & Co. KG	Germany	Holding entity	100.0%
MPC Container Ships Sourcing GmbH	Germany	Asset acquisition entity	100.0%
Sao Paulo Project Holding GmbH & Co. KG	Germany	Holding entity	80.0%
Rio Teslin OpCo GmbH & Co. KG	Germany	Ship-owning entity	80.0%
Rio Thelon OpCo GmbH & Co. KG	Germany	Ship-owning entity	80.0%
"AS LAETITIA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS LAGUNA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS PAULINA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS PETRONIA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS CLARA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS ANGELINA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS FATIMA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS FLORETTA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS FAUSTINA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS FABRIZIA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS FIORELLA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS COLUMBIA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS CLARITA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS FRIDA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS CALIFORNIA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS LAURETTA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS FILIPPA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS SOPHIA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS SERENA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS FIONA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS CONSTANTINA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS FORTUNA" ShipCo C.V.	Netherlands	Ship-owning entity	99.9%
"AS PETULIA" Schifffahrtsgesellschaft mbH & Co. KG	Germany	Ship-owning entity	100.0%
"AS SERAFINA" Schifffahrtsgesellschaft mbH & Co. KG	Germany	Ship-owning entity	100.0%
"AS Cleopatra" Schifffahrtsgesellschaft mbH & Co. KG	Germany	Ship-owning entity	100.0%
"AS Christiana" Schifffahrtsgesellschaft mbH & Co. KG	Germany	Ship-owning entity	100.0%
"AS Carlotta" Schifffahrtsgesellschaft mbH & Co. KG	Germany	Ship-owning entity	100.0%
Dolphin Container Asset Ltd.	Liberia	Ship-owning entity	100.0%

[1)] The Dutch limited partnerships are represented by their respective general partner entities.

Note: General partner companies and non-operating companies (shelf companies for future vessel acquisitions) have been omitted from this table. 2. Bluewater Holding Schifffahrtsgesellschaft mbH & Co. KG and its subsidiaries are accounted for as a joint venture and are not subsidiaries to the Company.

12.3 Share capital and share capital history

At the date of this Prospectus, the Company's share capital is NOK 652,530,000 represented by 65,253,000 Shares each with a par value of NOK 10. All issued Shares have been fully paid and issued.

All Shares have been created under the Norwegian Public Limited Companies Act, and are validly issued and fully paid.

The Shares are registered in book-entry form in the Norwegian Central Securities Depository (VPS). The Company's registrar is DNB Bank ASA, Dronning Eufemias gate 30, 0191 Oslo, Norway. The Shares are registered under ISIN number NO 001 0791353.

The table below shows the development in the Company's share capital from the date of incorporation to the date of this Prospectus:

Date	Type of change	Change in issued share capital (NOK)	New share capital (NOK)	New number of Shares	Nominal value per share (NOK)
09 January 2017	Incorporation	30,000	30,000	300	100
20 April 2017	Share split	-	-	3,000	10
20 April 2017[1)]	Issuance	200,000,000	200,030,000	20,003,000	10
19 June 2017[2)]	Issuance	150,000,000	350,030,000	35,030,000	10
8 December 2017[2)]	Issuance	302,500,000	652,530,000	65,253,000	10

[1)] USD-denominated share capital increase against consideration in cash.
[2)] NOK-denominated share capital increase against consideration in cash.

Other than the above-mentioned share capital increases, no other changes in the Company's share capital have occurred as of the date of this Prospectus.

12.4 Shareholder rights

The Company has one class of shares. All the Shares rank in parity with one another. In accordance with the Norwegian Public Limited Companies Act, all Shares carry one vote and are otherwise equal in all respects, including the right to any dividends.

The Company's shareholders do not have any redemption or conversion rights. Shareholders of a Norwegian Public Limited Company, have pre-emptive rights to new Shares, which can be waived with 2/3 majority of the votes cast at a shareholders' meeting.

There are no limits restricting foreign ownership of the Shares. There are no special voting arrangements in place for the major shareholders, apart from the right of MPC Capital AG and affiliates to members of the board (see Section 10.2 "Board of Directors") and the shareholder agreements mentioned in Section 12.11 "Shareholder agreements".

As described in Section 10.12 "Corporate governance", the Company applies with the Corporate Governance Code which entails, inter alia, equal treatment of shareholders. Apart from the aforesaid, there are no specific measures in place regulating the exercise of the influence which follows from holding the Shares in the Company.

12.5 Admission to trading

The Company applied for admission to trading of its Shares on Oslo Axess on 22 December 2017, and the board of directors of Oslo Børs will consider the listing application on 25 January 2018.

The Company currently expects commencement of trading in the Shares on Oslo Axess on or around 29 January 2018 under the ticker symbol "MPCC".

Prior to the Listing, the Shares of the Company have been trading on Merkur Market, a multilateral trading facility operated by Oslo Børs ASA.

12.6 Shareholders

As of the date of this Prospectus, and to the best of the Company's knowledge, the Company has approximately 258 shareholders, of which 211 hold shares worth more than NOK 10,000.

With effect from listing of the Shares on Oslo Axess, shareholders with ownership exceeding 5% must comply with disclosure obligations according to the Norwegian Securities Trading Act section 4-3.

As of the date of this Prospectus, and to the best of the Company's knowledge, the following shareholders have holdings in excess of the statutory thresholds for disclosure requirements of 5%:

- A total of 12,947,500 Shares, equal to 19.8% of the Shares, are held by Spike Star Limited and managed by Star Capital Partnership LLP (in its capacity as an investment manager).
- A total of 9,951,000 Shares, equal to 15.3% of the Shares, are held by CSI Beteiligungsgesellschaft mbH, representing the founding shareholders (MPC Group).
- A total of 3,539,500 Shares, equal to 5.42% of the Shares, are managed by FIL Limited (in its capacity as an investment manager for two shareholders).

The Company is not aware of any persons or entities that, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company. As of the date of this Prospectus, to the best knowledge of the Company, there are no arrangements or agreements, which may at a subsequent date result in a change of control in the Company.

12.7 Holdings in the Company's own shares

Neither the Company nor any of its subsidiaries directly or indirectly owns treasury shares in the Company. As of the date of this Prospectus, the Board of Directors does not have any authority to cause the Company to acquire its own shares.

12.8 Outstanding authorisations

On 16 January 2018, an extraordinary General Meeting of the Company passed a resolution to confer authority to the Board of Directors to allot ordinary shares in the Company up to an aggregate nominal amount of NOK 163,132,500. The authority may only be used to issue shares as consideration in connection with vessel acquisitions, to issue shares in connection with the exercise of options to subscribe for shares in the Company and to raise new equity in order to finance vessel acquisitions or to strengthen the Company's capital. The authority is valid until the Company's annual General Meeting in 2019, but not later than 30 June 2019. The pre-emptive rights of the shareholders may be set aside in such increase of the Company's share capital. As of the date of the Prospectus, the Company has not made use of the authority.

On 16 January 2018, an extraordinary General Meeting of the Company passed a resolution to confer authority to the Board of Directors to take up convertible loans with an aggregate principal amount of up to NOK 1,000,000,000. Upon conversion of loans taken up pursuant to this authorization, the Company's share capital may be increased by up to NOK 163,132,500. The authority is valid until the Company's annual General Meeting in 2019, but not later than 30 June 2019. The pre-emptive rights of the shareholders may be set aside in such increase of the Company's share capital. As of the date of the Prospectus, the Company has not made use of the authority.

12.9 Warrants

MPC Capital AG, through its subsidiary MPC Capital Beteiligungsgesellschaft mbH & Co. KG has been granted warrants (*Norwegian*: frittstående tegningsretter) to subscribe for additional Shares in the Company. The total number of independent subscription rights granted as of the date of this Prospectus is 2,121,046. Each of such warrants give the holders the right, but no obligation, to subscribe for one share in the Company at the exercise price of the NOK-equivalent of USD 5.00 per share ("**Exercise Price**"), given that the below vesting conditions are met.

Conditions for exercise of the warrants are structured in three tranches (each an "**Exercise Level**"): 1/3 of the warrants may be exercised at any time after the Company's share price has exceed the NOK equivalent of USD 6.25, the next 1/3 of the warrants may be exercised at any time after the share price has exceed the NOK equivalent of USD 7.25 and the last 1/3 of the warrants may be exercised at any time after the share price has exceeded the NOK equivalent of USD 8.25. The first Exercise Level has been met. The Exercise Level is only tested if the cumulative trading volume is above the NOK equivalent of USD 1 million for 10 consecutive trading days, whereas trading days without trading are not taken into account.

The Exercise Price and Exercise Level are subject to customary adjustments in case of split, reverse splits, merger or similar. The warrants held by MPC Capital Beteiligungsgesellschaft mbH & Co. KG are subject to similar transfer restrictions as the lock-up of the founder's shares; see Section 12.14 "Free transferability of shares".

The warrants are registered in the VPS and are valid for a period of 5 years from 20 April 2017.

12.10 Rights to subscribe or acquire shares

Other than as described in Section 12.9 "Warrants", neither the Company nor any of its subsidiaries has issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or the subsidiaries.

12.11 Shareholder agreements

The Company is aware of the following shareholders' agreement in relation to the Shares:

On 4 December 2017, CSI Beteiligungsgesellschaft mbH, MPC Capital AG and Star Capital Partnership LLP entered into a shareholders' agreement, which includes all Shares in the Company held by these parties and their affiliates. Each of the parties to this agreement undertakes to use their best efforts to ensure that one member nominated by each of the parties is appointed to the Board of Directors of the Company. In particular, the parties agreed to vote in their capacity as shareholders in the Company in favour of the member of the Board of Directors nominated by the other party in the Company's General Meeting. Subject to any applicable requirements under Norwegian company law, the parties also agreed to use their best efforts to ensure that one observer nominated by Star Capital Partnership LLP may attend the meetings of the Board of Directors. The shareholder's agreement has an indefinite term and either party can terminate the agreement with at least six months' notice; however, not prior to 31 December 2020.

12.12 Public takeover bids

The Shares have not been subject to any public takeover bids.

12.13 Mandatory takeover bids, squeeze-out and sell-out rules

The Shares have not been subject to any mandatory takeover bids, squeeze-out or similar.

12.14 Free transferability of shares

The Shares controlled by the founding shareholders amounting to 15.3% of the Company's Shares are subject to a lock-up. The lock-up period is until the later of (i) 20 April 2018 or (ii) six months after admission to trading on Oslo Axess. The lock-up agreement is governed by Norwegian law on terms customary for such agreements.

To the Company's knowledge, there are no other lock-up agreements relating to the admission to listing on Oslo Axess nor provisions in the Articles of Association, or resolutions passed by the General Meeting, that may restrict free trading in the shares.

12.15 The Articles of Association

The Company's Articles of Association are attached as Appendix A to this Prospectus. Below is a summary of the provisions in the Articles of Association.

12.15.1 Objective of the Company

Pursuant to § 3 of the Company's Articles of Association, the company's business activity is to (i) invest in maritime assets (vessels, shares in ship-owning companies, loans secured by vessels and/or shares in ship-owning companies) with a main focus on small-size container ships between 1,000 and 4,500 TEU, (ii) chartering-out the vessel per time-charter agreements, operate and sell them as well as (iii) working-out the acquired maritime loans in order to take over the securing assets.

12.15.2 Registered office

The Company's registered office is in the municipality of Oslo, Norway.

12.15.3 Share capital and par value

The Company's share capital is NOK 652,530,000 divided into 65,253,000 shares, each of a nominal value of NOK 10.

The Company's Shares shall be registered in the Norwegian Central Securities Depository (VPS).

12.15.4 Board of directors

The Company's Board of Directors shall consist of a minimum of three and a maximum of seven Board Members.

MPC Capital AG shall have the right to elect 40% of the members of the board of directors (rounded down). If the aggregate share ownership of MPC Capital AG and affiliates falls below 20% of the total number of shares in the Company, MPC Capital AG shall only have the right to elect one board member. If neither MPC Capital AG nor any its affiliates own any shares in the Company, MPC Capital AG shall not have the right to elect any board member.

The other members of the Board of Directors shall be elected by the General Meeting. The term of office may not exceed four years.

12.15.5 Restrictions on transfer of Shares

The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal for the Company. Share transfers are not subject to approval by the Board of Directors. Thus, the applicable provisions in the Public Limited Liability Act apply to any transfer of the Shares.

12.15.6 General Meetings

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

12.16 Dividend policy

The Company has not distributed any dividends since its incorporation.

The Company's intention is to pay regular dividends in support of its objective of maximising returns to shareholders. The timing and amount of dividends is at the discretion of the Board of Directors. Any future dividends proposed will depend upon the Group's financial position, earnings, debt covenants, capital requirement, distribution and other legal restrictions, investment opportunities, and other factors. Dividends will be proposed by the Board of Directors for approval by the General Meeting. Except in certain specific and limited circumstances set out in the Norwegian Public Limited Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

There are no current estimates regarding the potential future dividend level or timing of dividend payments and there can be no certainty that dividends will be proposed or declared in any given period.

Any future payments of dividends on the Shares will be denominated in NOK, and will be paid to the shareholders through the VPS. Investors registered in the VPS whose address is outside Norway and who have not supplied the VPS with details of any NOK account, will, however, receive dividends by cheque in their local currency, as exchanged from the NOK amount distributed through the VPS. If it is not practical in the sole opinion of DNB Bank ASA, being the Company's VPS registrar, to issue a cheque in a local currency, a cheque will be issued in USD. The issuing and mailing of cheques will be executed in accordance with the standard procedures of DNB Bank ASA. The exchange rate(s) that is applied will be DNB Bank ASA's rate on the date of issuance. Dividends will be credited automatically to the VPS registered shareholders' NOK accounts, or in lieu of such registered NOK account, by cheque, without the need for shareholders to present documentation proving their ownership of the Shares.

12.17 Certain aspects of Norwegian corporate law

12.17.1 The General Meeting of the shareholders

Under Norwegian law, a company's shareholders exercise supreme authority in the Company through the General Meeting.

In accordance with Norwegian law, the annual General Meeting of the Company's shareholders is required to be held each year on or prior to 30 June. The following business must be transacted and decided at the annual General Meeting:

- approval of the annual accounts and annual report, including the distribution of any dividend;
- the Board of Directors' declaration concerning the determination of salaries and other remuneration to senior executive officers;
- any other business to be transacted at the General Meeting by law or in accordance with the Company's Articles of Association.

In addition to the annual General Meeting, extraordinary General Meetings of shareholders may be held if deemed necessary by the Board of Directors. An extraordinary General Meeting must also be convened for the consideration of specific matters at the written request of the Company's auditors or shareholders representing a total of at least 5% of the share capital.

Norwegian law requires that written notice of General Meetings needs be sent to all shareholders whose addresses are known at least three weeks prior to the date of the meeting. The notice shall set forth the time and date of the meeting and specify the agenda of the meeting. It shall also name the person appointed by the board of directors to open the meeting. A shareholder may attend General Meetings either in person or by proxy. The Company will include a proxy form with its notices of General Meetings.

A shareholder is entitled to have an issue discussed at a General Meeting if such shareholder provides the Board of Directors with notice of the issue within seven days before the mandatory notice period, together with a proposal to a draft resolution or a basis for putting the matter on the agenda.

The shareholders of the Company as of the date of the General Meeting are entitled to attend the General Meeting.

12.17.2 Voting rights

Under Norwegian law and the Articles of Association, each Share carries one vote at General Meetings of the Company. No voting rights can be exercised with respect to any treasury Shares held by the Company.

In general, decisions that shareholders are entitled to make under Norwegian law or the Articles of Association may be made by a simple majority of the votes cast. In the case of elections, the persons who obtain the most votes are elected. However, as required under Norwegian law, certain decisions, including resolutions to set aside preferential rights to subscribe in connection with any share issue, to approve a merger or demerger, to amend the Company's Articles of Association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants or to authorise the board of directors to purchase shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a General Meeting.

Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any Shares or class of Shares, receive the approval by the holders of such Shares or class of Shares as well as the majority required for amending the Articles of Association. Decisions that (i) would reduce the rights of some or all shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of shares, require that at least 90% of the share capital represented at the general meeting of shareholders in question vote in favour of the resolution, as well as the majority required for amending the articles of association. Certain types of changes in the rights of shareholders require the consent of all shareholders affected thereby as well as the majority required for amending the articles of association. There are no quorum requirements for general meetings.

In general, in order to be entitled to vote at a general meeting, a shareholder must be registered as the owner of Shares in the Company's share register kept by the VPS.

Under Norwegian law, a beneficial owner of Shares registered through a VPS-registered nominee may not be able to vote the beneficial owner's Shares unless ownership is re-registered in the name of the beneficial owner prior to the relevant general meeting. Investors should note that there are varying opinions as to the interpretation of Norwegian law in respect of the right to vote nominee-registered shares. In the Company's view, a nominee may not meet or vote for Shares registered on a nominee account. A shareholder must, in order to be eligible to register, meet and vote for such Shares at the General Meeting, transfer the Shares from the nominee account to an account in the shareholder's name. Such registration must appear from a transcript from the VPS at the latest at the date of the General Meeting.

12.17.3 Additional issuances and preferential rights

If the Company issues any new Shares, including bonus shares (i.e. new Shares issued by a transfer from funds that the Company is allowed to use to distribute dividend), the Company's Articles of Association must be amended, which requires the support of at least (i) two thirds of the votes cast and (ii) two thirds of the share capital represented at the relevant General Meeting.

In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for the new Shares on a pro rata basis in accordance with their then-current shareholdings in the Company. Preferential rights may be set aside by resolution in a general meeting of shareholders passed by the same vote required to approve amendments of the Articles of Association. Setting aside the shareholders' preferential rights in respect of bonus issues requires the approval of the holders of all outstanding Shares.

The General Meeting of the Company may, in a resolution supported by at least (i) two thirds of the votes cast and (ii) two thirds of the share capital represented at the relevant General Meeting, authorise the Board to issue new Shares. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the nominal share capital as at the time the authorisation is registered with the Norwegian Register of Business Enterprises. The shareholders' preferential right to subscribe for Shares issued against consideration in cash may be set aside by the Board only if the authorisation includes the power for the Board to do so.

Any issue of Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United Stated under U.S. securities law. If the Company decides not to file a registration statement, these shareholders may not be able to exercise their preferential rights.

Under Norwegian law, bonus shares may be issued, subject to shareholder approval and provided, amongst other requirements, that the transfer is made from funds that the Company is allowed to use to distribute dividend. Any bonus issues may be effectuated either by issuing Shares or by increasing the nominal value of the Shares outstanding. If the increase in share capital is to take place by new Shares being issued, these new Shares must be allocated to the shareholders of the Company in proportion to their current shareholdings in the Company.

12.17.4 Minority rights

Norwegian law contains a number of protections for minority shareholders against oppression by the majority, including but not limited to those described in this and preceding and following paragraphs. Any shareholder may petition the courts to have a decision of the Board of Directors or General Meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. In certain grave circumstances, shareholders may require the courts to dissolve the Company as a result of such decisions. Shareholders holding in the aggregate 5% or more of the Company's share capital have a right to demand that the Company convenes an extraordinary General Meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any General Meeting as long as the Company's Board of Directors is notified within seven days before the deadline for convening the General Meeting and the demand is accompanied with a proposed resolution or a reason for why the item shall be on the agenda. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the General Meeting has not expired.

12.17.5 Rights of redemption and repurchase of shares

The Company has not issued redeemable shares (i.e. shares redeemable without the shareholder's consent).

The Company's share capital may be reduced by reducing the nominal value of the Shares. According to the Norwegian Public Limited Liability Companies Act, such decision requires the approval of at least two-thirds of the votes cast and share capital represented at a General Meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares if an authorisation to the Board of Directors to do so has been given by the shareholders at a General Meeting with the approval of at least two-thirds of the aggregate number of votes cast and share capital represented. The aggregate nominal value of treasury Shares so acquired may not exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the shareholders at the General Meeting cannot be given for a period exceeding two years. A Norwegian public limited liability company may not subscribe for its own shares.

12.17.6 Shareholder vote on certain reorganisations

A decision to merge with another company or to demerge requires a resolution of the Company's shareholders at a General Meeting passed by at least (i) two-thirds of the votes cast and (ii) two-thirds of the share capital represented at the General Meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be available at the business offices or on the web pages of the Company, at least one month prior to the General Meeting to pass upon the matter. If a shareholder so requires, the Company must also send the documentation to the shareholder free of charge.

12.17.7 Liability of board members

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

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

12.17.8 Indemnification of board members

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

12.17.9 Distribution of assets on liquidation

Under Norwegian law, a company may be liquidated by a resolution of the company's shareholders in a general meeting passed by the same vote as required with respect to amendments to the articles of association. The shares rank equally in the event of a return on capital by the company upon liquidation or otherwise.

12.17.10 Compulsory acquisition

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the issuer has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing 90% or more of the total number of issued shares, as well 90% or more of the total voting rights, through a voluntary offer in accordance with the Norwegian Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial enterprise authorised to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. However, where the offeror, after making a mandatory or voluntary offer, has acquired 90% or more of the voting shares of an issuer and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to Section 4-25 of the Norwegian Public Limited Liability Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory and/or voluntary offer unless specific reasons indicate that another price is the fair price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price, or any other objection to the price being offered in a compulsory acquisition, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline for raising objections to the price offered in the compulsory acquisition.

12.17.11 Legal constraints on dividend

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

- Section 8-1 of the Norwegian Public Limited Companies Act provides that the Company may distribute dividends to the extent that the Company's net assets following the distribution cover (i) the share capital, (ii) the reserve for valuation variances and (iii) the reserve for unrealised gains. The amount of any receivable held by the Company which is secured by a pledge over Shares in the Company, as well as the aggregate amount of credit and security which, pursuant to Section 8-7 to Section 8-10 of the Norwegian Public Limited Companies Act fall within the limits of distributable equity, shall be deducted from the distributable amount.
- The calculation of the distributable equity shall be made on the basis of the balance sheet included in the approved annual accounts for the last financial year, provided, however, that the registered share capital, as of the date of the resolution to distribute dividends, shall be applied. Following the approval of the annual accounts for the last financial year, the General Meeting may also authorise the Board of Directors to declare dividends on the basis of the Company's annual accounts. Dividends may also be resolved by the General Meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date no earlier than six months before the date of the General Meeting's resolution.
- Dividends can only be distributed to the extent that the Company's equity and liquidity following the distribution is considered sound.

The Norwegian Public Limited Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 14 "Taxation".

13. SECURITIES TRADING IN NORWAY

13.1 Introduction

Oslo Børs was established in 1819 and is the principal market in which shares, bonds and other financial instruments are traded in Norway. Oslo Børs is operated by Oslo Børs ASA, which also operates the regulated marketplace Oslo Axess on which the Shares are sought to be listed.

Oslo Børs has entered into a strategic cooperation with the London Stock Exchange group with regards to, *inter alia*, trading systems for equities, fixed income and derivatives.

13.2 Trading and settlement

Trading of equities on Oslo Axess is carried out in the electronic trading system Millenium Exchange. This trading system was developed by the London Stock Exchange and is in use by all markets operated by the London Stock Exchange as well as by the Borsa Italiana and the Johannesburg Stock Exchange.

Official trading on Oslo Axess takes place between 09:00 hours Central European Time ("**CET**") and 16:20 hours (CET) each trading day, with pre-trade period between 08:15 hours (CET) and 09:00 hours (CET), closing auction from 16:20 hours (CET) to 16:25 hours (CET) and a post-trade period from 16:25 hours (CET) to 17:30 hours (CET). Reporting of after exchange trades can be done until 17:30 hours (CET).

The settlement period for trading on Oslo Axess is two trading days (T+2). This means that securities will be settled on the investor's account in the VPS two days after the transaction, and that the seller will receive payment after two days.

Oslo Clearing ASA, a wholly-owned subsidiary of SIX x-clear Ltd, a company in the Six Group, has a license from the Norwegian FSA to act as a central clearing service, and has from 18 June 2010 offered clearing and counterparty services for equity trading on Oslo Axess.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from an EEA member state or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, market-making activities do not as such require notification to the Norwegian FSA or Oslo Børs except for the general obligation of investment firms being members of Oslo Børs to report all trades in listed securities.

13.3 Information, control and surveillance

Under Norwegian law, Oslo Børs is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of Oslo Børs monitors market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance. Under Norwegian law, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company (i.e. precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. Oslo Børs may levy fines on companies violating these requirements.

13.4 The VPS and transfer of shares

The Company's shareholder register is operated through the VPS. The VPS is the Norwegian paperless centralised securities register. It is a computerised bookkeeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

The entry of a transaction in the VPS is generally prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS' control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the NFSA on an on-going basis, as well as any information that the NFSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

13.5 Shareholder register – Norwegian law

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. As a general rule, there are no arrangements for nominee registration, and Norwegian shareholders are not allowed to register their shares in the VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the NFSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the issuer and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote on shares at general meetings on behalf of the beneficial owners.

13.6 Foreign investment in Norwegian shares

Foreign investors may trade shares listed on Oslo Axess through any broker that is a member of Oslo Børs, whether Norwegian or foreign.

13.7 Disclosure obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in an issuer with its shares listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that issuer, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify Oslo Børs and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the Company's share capital.

13.8 Insider trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in section 3-2 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

13.9 Mandatory offer requirements

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a Norwegian issuer with its shares listed on a Norwegian regulated market to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that issuer. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the issuer and Oslo Børs decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify Oslo Børs and the issuer in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the issuer or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer is subject to approval by Oslo Børs before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed to be paid by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is required to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant mandatory offer threshold within four weeks, Oslo Børs may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in unfulfilled, exercise rights in the issuer, such as voting on shares at general meetings of the issuer's shareholders, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his duty to make a mandatory offer, Oslo Børs may impose a cumulative daily fine that accrues until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a Norwegian issuer with its shares listed on a Norwegian regulated market is required to make an offer to purchase the remaining shares of the issuer (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40% or more of the votes in the issuer. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the issuer. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated group that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, required to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price, or any other objection to the price being offered in a compulsory acquisition, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline for raising objections to the price offered in the compulsory acquisition.

13.10 Foreign exchange controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a Norwegian issuer who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the NFSA have electronic access to the data in this register.

14. TAXATION

*The following is a summary of certain Norwegian tax considerations relevant to the acquisition, ownership and disposition of shares by holders that are residents of Norway for purposes of Norwegian taxation ("**Resident Shareholders**") and holders that are not residents of Norway for such purposes ("**Non-resident Shareholders**").*

The summary is based on applicable Norwegian laws, rules and regulations as they exist in force as of the date of this Prospectus. Such laws, rules and regulations may be subject to changes after this date, possibly on a retroactive basis for the same tax year. The summary is of a general nature and does not purport to be a comprehensive description of all the tax considerations that may be relevant to the shareholders and does not address foreign tax laws.

As will be evident from the description, the taxation will differ depending on whether the investor is a limited liability company or a natural person.

Please note that special rules apply for shareholders that cease to be tax resident in Norway or that for some reason are no longer considered taxable to Norway in relation to their shareholding.

Each shareholder should consult with and rely upon their own tax adviser to determine the particular tax consequences for him or her and the applicability and effect of any Norwegian or foreign tax laws and possible changes in such laws.

For the purpose of the summary below, a reference to a Norwegian or foreign shareholder or company refers to tax residency rather than nationality.

14.1 Taxation of dividends

14.1.1 Resident Shareholders that are corporations

Resident Shareholders that are corporations (i.e. limited liability companies, mutual funds, savings banks, mutual insurance companies or similar entities resident in Norway for tax purposes) are generally exempt from tax on dividends received on shares in Norwegian limited liability companies, hereunder public limited companies, pursuant to the Norwegian participation exemption method (*Norwegian*: Fritaksmetoden). However, unless the shareholder owns more than 90% of the shares in the distributing company, 3% of dividend income is generally taxable at a rate of 23% (2018), implying that dividends distributed from the Company to Resident Shareholders being corporations are effectively taxed at a rate of 0.69% (2018).

The repayment of paid-up share capital and paid-up share premium on each share is not regarded as dividend for tax purposes and thus not subject to tax.

14.1.2 Norwegian Personal Shareholders

Resident Shareholders being natural persons are in general tax liable to Norway for their worldwide income. Dividends distributed to such personal shareholders are taxable to the extent that the dividends exceed a statutory tax-free allowance (*Norwegian*: Skjermingsfradrag). Dividends distributed to Resident Shareholders who are natural persons are taxed at a rate of 23%, however, based on a tax base adjusted upwards by a factor of 1.33, thus implying an effective tax rate of 30.59% (2018).

The tax-free allowance is calculated on a share-by-share basis, and the allowance for each share is equal to the cost price of the share multiplied by a determined risk-free interest rate based on the effective rate after tax of interest on treasury bills (*Norwegian*: Statskasseveksler) with three months maturity with the addition of 0.5 percentage points (2017). The allowance is allocated to the shareholder owning the share on 31 December in the relevant income year. Resident Shareholders being natural persons who transfer shares during an income year will thus not be entitled to deduct any calculated allowance related to the year of transfer. The Directorate of Taxes announces the risk free-interest rate in January the year after the fiscal year. The risk-free interest rate for 2017 was 0.7%.

Any part of the calculated allowance one year exceeding dividend distributed on the same share ("**excess allowance**") can be carried forward and set off against future dividends received on, or capital gains upon realization of the same share. Furthermore, excess allowance can be added to the cost price of the share and included in basis for calculating the allowance on the same share the following year.

Any repayment of paid-up share capital and paid-up share premium of each share is not regarded as dividend for tax purposes and thus not subject to tax. Such repayment will lead to a reduction of the tax input value of the shares corresponding to the repayment.

14.1.3 Non-resident Shareholders

Dividends distributed to Non-resident Shareholders are in general subject to withholding tax at a rate of 25%, unless otherwise provided for in an applicable tax treaty or the recipient is covered by the specific regulations for corporate shareholders tax-resident within the EEA (see the section below for more information on the EEA exemption). The Company distributing the dividend is responsible for the withholding. Norway has entered into tax treaties with approximate 80 countries. In most tax treaties the withholding tax rate is reduced to 15%.

In accordance with the present administrative system in Norway, the Norwegian distributing Company will normally withhold tax at the regular rate or reduced rate according to an applicable tax treaty, based on the information registered with the VPS with regard to the tax residence of the Non-resident Shareholder. Dividends paid to Non-resident Shareholders in respect of nominee-registered shares will be subject to withholding tax at the general rate of 25% unless the nominee, by agreeing to provide certain information regarding beneficial owners, has obtained approval for a reduced or zero rate from the Central Office for Foreign Tax Affairs ("**COFTA**") (*Norwegian*: Sentralskattekontoret for utenlandssaker).

Non-resident Shareholders who has received dividends that has been deducted withholding taxes at a higher rate than applicable in the relevant tax treaty or pursuant to the application of the participation exemption, may apply to the Norwegian tax authorities for a refund of the excess withholding tax. The application is to be filed with COFTA.

If a Non-resident Shareholder is engaged in business activities carried out from or managed in Norway, and the shares are effectively connected with such business activities, dividends distributed to such shareholder will generally be subject to the same taxation as that of Resident Shareholders, cf. the description of tax issues related to Resident Shareholders above.

Non-resident Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the ability to effectively claim refunds of withholding tax.

14.1.4 Non-resident Shareholders tax-resident within the EEA

Non-resident Shareholders being natural persons tax-resident within the EEA ("**Foreign EEA Personal Shareholders**") are upon request entitled to a refund of an amount corresponding to the calculated tax-free allowance on each individual share. The shareholder shall pay the lesser amount of (i) withholding tax according to the rate in an applicable tax treaty or (ii) withholding tax at 25% of taxable dividends after allowance.

Foreign EEA Personal Shareholders may carry forward any unused allowance, if the allowance exceeds the dividends.

Non-resident Shareholders that are corporations tax-resident within the EEA for tax purposes ("**Foreign EEA Corporate Shareholders**") are exempt from Norwegian tax on dividends distributed from Norwegian limited liability companies, provided that the Foreign EEA Corporate Shareholder in fact is deemed to be genuinely established and performs real economic activity within the EEA.

14.2 Taxation upon realization of shares

14.2.1 Resident Shareholders that are corporations

Resident Shareholders that are corporations (i.e. limited liability companies, mutual funds, saving banks, mutual insurance companies or similar entities resident in Norway for tax purposes) are generally exempt from tax on capital gains upon the realization of shares in Norwegian limited liability companies, hereunder public limited companies. Losses upon the realization and costs incurred in connection with the purchase and realization of such shares are not deductible for tax purposes.

14.2.2 Resident Personal Shareholders

Resident Shareholders being natural persons are taxable in Norway for capital gains upon the realization of shares, and have a corresponding right to deduct losses that arise upon such realization. The tax liability applies irrespective of time of ownership and the number of shares realised. Gains are taxable as ordinary income in the year of realization, and losses can be deducted from ordinary income in the year of realization. Income from shares (gains and losses) distributed to Resident Shareholders who are natural persons are taxed at a rate of 23%, however, based on a tax base adjusted upwards by a factor of 1.33, thus implying an effective tax rate of 30.59% (2018).

The taxable gain or loss is calculated per share as the difference between the consideration received and the cost price of the share, including any costs incurred in relation to the acquisition or realization of the share. Any unused allowance on a share (ref. above) may be set off against capital gains related to the realization of the same share, but may not lead to or increase a deductible loss, i.e., any unused allowance exceeding the capital gain upon the realization of the share will be lost. Furthermore, unused allowance may not be set off against gains from realization of other shares.

If a Resident Shareholder being a natural person disposes of shares acquired at different times, the shares that were first acquired will be deemed as first sold (the FIFO-principle) when calculating a taxable gain or loss.

14.2.3 Non-resident Shareholders

As a general rule, capital gains generated by Non-resident Shareholders are generally not taxable in Norway. This apply both for Non-resident Shareholders being corporations and natural persons. However, such shareholder will generally be subject to taxation in Norway if:

(i) the shares are effectively connected with business activities carried out from or managed in Norway (in which case capital gains will generally be subject to the same taxation as that of Resident Shareholders, cf. the description of tax issues related to Resident Shareholders above), or

(ii) the shares are held by an individual who has been a resident of Norway for tax purposes with unsettled/postponed exit tax calculated on the shares at the time of cessation as Norwegian tax resident.

14.3 Net wealth tax

Resident Shareholders that are corporations and certain similar entities are exempt from Norwegian net wealth tax.

For other Resident Shareholders (i.e. Shareholders being natural persons), the shares will be included in the basis for calculation of net wealth tax. The current marginal net wealth tax rate is 0.85% of taxable values.

Listed shares are currently valued at 80% of their quoted value on 1 January in the assessment year (the year following the income year).

14.4 Inheritance tax

Norway does not impose inheritance tax on assignment of shares by way of inheritance or gift. However, the heir acquires the donor’s tax input value of the shares based on principles of continuity. Thus, the heir will be taxable for any increase in value in the donor’s ownership, at the time of the heir’s realization of the shares.

14.5 Stamp duty

There is currently no Norwegian stamp duty or transfer tax on the transfer or issuance of shares.

14.6 Tonnage tax

The Company’s vessel-owning subsidiaries are sought to be taxed in accordance with the German or Dutch tonnage tax regime, depending on the country of incorporation of the respective entities. In both tonnage tax regimes, income from qualifying shipping operations is calculated as a lump sum depending on the size (net tonnage) of the respective vessels, independent of the realized earnings. Given the lump sum characteristics under the tonnage tax schemes, the deductibility of tax losses is not possible.

15. THE LISTING

15.1 Purposes of the Listing

The Listing of the Shares on Oslo Axess is an important element of the Company's strategy. Through the Listing, the Company will be able to provide a regulated marketplace for the trading of its Shares. Furthermore, the Listing will also facilitate the use of the capital markets in order to raise further equity if required.

The Company further believes that the Listing will also involve:

- Access to a broader investor base including institutional investors
- Access to the equity capital market for funding of further growth, if necessary
- Diversification of the shareholder base
- A more liquid market for the Company's Shares
- Access to the exchange's trading platform
- A quality stamp as the Company's Shares will be associated with Oslo Axess
- Building brand equity and increasing the Company's visibility and public credibility

15.2 Admission to trading

On 22 December 2017, the Company submitted an application for Listing of the Shares on Oslo Axess, and the board of directors of Oslo Børs will consider the listing application on 25 January 2018.

The first day of trading of the Shares on Oslo Axess is expected to be on or about 29 January 2018. The Company will be listed on Oslo Axess under the ticker symbol "**MPCC**".

The Company's Shares are not listed on another stock exchange or regulated market, and no application has been made for listing, on any stock exchange or regulated market other than Oslo Axess.

15.3 Managers and Advisors

The Managers of the Listing are DNB Markets, a part of DNB Bank ASA, (Dronning Eufemias gate 30, N-0191 Oslo, Norway) and Fearnley Securities AS (Grev Wedels Plass 9, N-0107 Oslo, Norway).

Advokatfirmaet Wiersholm AS (Dokkveien 1, N-0250 Oslo, Norway) has acted as legal advisor to the Company, while Advokatfirmaet Grette DA (Filipstad Brygge 2, N-0114 Oslo, Norway) and BDO AS (Munkedamsveien 45, N-0121 Oslo, Norway) have acted as legal advisor and financial advisor, respectively, to the Managers in connection with the Listing.

15.4 Expenses

Costs attributable to the Listing are borne by the Company.

15.5 Interests of natural and legal persons involved in the Listing

The Managers or their affiliates have provided from time to time, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Beyond the above-mentioned, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Listing.

16. ADDITIONAL INFORMATION

16.1 Documents on display

Copies of the following documents will be available for inspection at the Company's offices at Dronning Mauds gate 3, 0250 Oslo, Norway during normal business hours from Monday to Friday each week (except public holidays) for a period of twelve months from the date of this Prospectus.

- the Company's Articles of Association and certificate of incorporation;
- the Company's audited consolidated financial statements for the period from incorporation up until ended 30 September 2017; and
- this Prospectus.

17. DEFINITIONS AND GLOSSARY

The following definitions and glossary apply in this Prospectus unless otherwise dictated by the context, including the foregoing pages of this Prospectus.

2010 PD Amending Directive..............	Directive 2010/73/EU amending the Prospectus Directive.
Adjusted Net Profit	Consolidated net profit after tax, after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising from any vessel disposals or total losses and any appreciation made on vessels.
Ahrenkiel Steamship	Ahrenkiel Steamship GmbH & Co. KG and Ahrenkiel Steamship B.V.
Articles of Association.........................	The articles of association of the Company.
Audited Financial Statements.............	Audited consolidated financial statements for the period from the date of incorporation of the Company (9 January 2017) to 30 September 2017.
BIMCO..	The Baltic and International Maritime Council.
Board Members	The members of the Board of Directors.
Board or Board of Directors................	The board of directors of the Company.
Bond Issuer...	MPC Container Ships Invest B.V.
Bond Issuer Group	The Bond Issuer and its subsidiaries.
CAGR..	Compound annual growth rate as a representation of growth on an annualised basis. CAGR is defined as (i) (a) the quotient of the final value divided by the initial value, raised to the power of (b) the quotient of one divided by the time in years between the final and initial values minus (ii) one.
CET...	Central European time.
COFTA	The Norwegian Central Office for Foreign Tax Affairs.
Company	MPC Container Ships ASA.
Contchart	Contchart Hamburg Leer GmbH & Co. KG and Contchart B.V.

Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance dated 30 October 2014.
EEA	The European Economic Area.
EU	The European Union.
EUR	Euro, the lawful currency of the Member States of the EU that have adopted and retain the single European currency.
EY..	Ernst & Young AS, the auditor of the Company.
FEU	Forty-foot equivalent units.
Forward-looking statements	All statements other than statements as to historic facts or present facts and circumstances, typically indicated by words such as "believe," "may," "will", "estimate," "continue," "anticipate," "intend," "expect" and similar expressions.
GDP	Gross domestic product.
General Meeting	The Company's general meeting of shareholders.
Group	The Company and its consolidated subsidiaries.
IAS 34	International Accounting Standard 34 – "Interim Financial Reporting".
Interest Coverage Ratio	Earnings before interest, taxes, depreciation and amortization for a time period divided by interest expenses for the same period.
IFRS	International Financial Reporting Standards as adopted by the EU.
IMO	International Maritime Organization, as the United Nation's specialized agency devoted to maritime affairs.
ISIN	Securities number in the Norwegian Central Securities Depository (VPS).
LTV..	Loan-to-value, a term used to express the ratio of a loan to the value of an asset or group of assets.

Management	The Group’s senior management team.
Managers	DNB Markets, a part of DNB Bank ASA, and Fearnley Securities AS.
Managing Director...............................	The Company's managing director.
Merkur Market.....................................	A multilateral trading facility operated by Oslo Børs ASA.
MPC Capital AG....................................	MPC Münchmeyer Petersen Capital AG.
MPC Group	MPC Münchmeyer Petersen & Co. GmbH and MPC Capital AG and any legal or physical person which is directly or indirectly controlled by them or which is jointly controlled by shareholders of MPC Münchmeyer Petersen Capital AG.
NOK...	Norwegian Kroner, the lawful currency of Norway.
Non-Norwegian shareholders.............	Shareholders who are not resident in Norway for tax purposes.
Norwegian FSA....................................	The Financial Supervisory Authority of Norway (Norwegian: "*Finanstilsynet*").
Norwegian corporate shareholders	Shareholders who are limited liability companies and certain similar corporate entities resident in Norway for tax purposes.
Norwegian personal shareholders.......	Personal shareholders resident in Norway for tax purposes.
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75 (Norwegian: "*Verdipapirhandelloven*").
Order...	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended.
Oslo Børs...	Oslo Børs ASA or, as the context may require, Oslo Børs, a Norwegian regulated stock exchange operated by Oslo Børs ASA.
Prospectus	This prospectus.

Prospectus Directive	Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and including any relevant implementing measure in each Relevant Member State.
QIBs	Qualified institutional buyers, as defined in Rule 144A.
Relevant Member State	Each Member State of the EEA which has implemented the Prospectus Directive.
Relevant Persons	Persons in the UK that are (i) investment professionals falling within Article 19(5) of the Order or (ii) high net worth entities and (iii) other persons to whom the Prospectus may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order.
Rule 144A	Rule 144A under the U.S. Securities Act.
SFA	The Securities and Futures Act of Singapore.
Share(s)	Shares in the share capital of the Company, each with a nominal value of NOK 10 or any one of them.
TEU	Twenty-foot equivalent units.
UK	United Kingdom.
USD	United States Dollar, the lawful currency of the United States of America.
U.S. Exchange Act	The United States Securities Exchange Act of 1934, as amended.
U.S. Securities Act	The United States Securities Act of 1933, as amended.
VPS	The Norwegian Central Securities Depository (Norwegian: *"Verdipapirsentralen"*).

MPC Container Ships ASA

Dronning Mauds gate 3

N-0250 Oslo

Norway

www.mpc-container.com

DNB Markets,
a part of DNB Bank ASA

Dronning Eufemias gate 30

N-0191 Oslo

Norway

www.dnb.no

Fearnley Securities AS

Grev Wedels plass 9

N-0107 Oslo

Norway

www.fearnleysecurities.com

Appendix A

VEDTEKTER/ARTICLES OF ASSOCIATION

FOR

MPC CONTAINER SHIPS ASA

(sist endret/last amended 16.01.2018)

§ 1	§ 1
Selskapets navn er MPC Container Ships ASA. Selskapet er et allmennaksjeselskap.	The company's name is MPC Container Ships ASA. The company is a public limited liability company.
§ 2	§ 2
Selskapets forretningskontor er i Oslo kommune.	The company's registered and business office is in the municipality of Oslo.
§ 3	§ 3
Selskapets virksomhet er å (i) investere i skipsfartsverdier (skip, andeler i rederier, lån med sikkerhet i skip og/eller andeler i rederier) med hovedvekt på små lasteskip på mellom 1000 og 4500 TEU, (ii) bortbefrakte skip etter tidscertepartiavtaler, samt å selge drive og selge disse og (iii) bearbeide de skipsfartslånene for å kunne ta over sikringsverdiene.	The company's business activity is to (i) invest in maritime assets (vessels, shares in ship-owning companies, loans secured by vessels and/or shares in ship-owning companies) with a main focus on small-size containerships between 1.000 and 4.500 TEU, (ii) chartering-out the vessel per time-charter agreements, operate and sell them as well as (iii) working-out the acquired maritime loans in order to take over the securing assets.
§ 4	§ 4
Selskapets aksjekapital er NOK 652 530 000 fordelt på 65 253 000 aksjer, hver pålydende NOK 10.	The company's share capital is NOK 652,530,000 divided into 65,253,000 shares, each of a nominal value of NOK 10.
Selskapets aksjer skal være registrert i Verdipapirsentralen.	The company's shares shall be registered in the Norwegian Central Securities Depository.
§ 5	§ 5
Selskapet skal ha mellom tre og syv styremedlemmer etter generalforsamlingens nærmere beslutning.	The Company shall have between three and seven board members as the general meeting may decide.
Generalforsamlingen kan fastsette tjenesteperioden for styremedlemmer. Tjenesteperioden kan ikke være lenger enn fire år.	The general meeting may decide the term of office of board members. The term of office may not exceed four years.
§ 6	§ 6
MPC Münchmeyer Petersen Capital AG skal ha rett til å velge 40% av styrets medlemmer (rundet ned).	MPC Münchmeyer Petersen Capital AG shall have the right to elect 40% of the members of the board of directors (rounded down).
Hvis det samlede antall aksjer eid av MPC Münchmeyer Petersen Capital AG og MPC Relaterte Personer faller under 20% av det totale antall aksjer i Selskapet skal MPC Münchmeyer Petersen Capital AG bare ha rett til å velge ett	If the aggregate share ownership of MPC Münchmeyer Petersen Capital AG and MPC Affiliates falls below 20% of the total number of shares in the Company, MPC Münchmeyer Petersen Capital AG shall only have the right to

styremedlem.

Hvis verken MPC Münchmeyer Petersen Capital AG eller noen MPC Relaterte Personer eier aksjer i Selskapet, skal MPC Münchmeyer Petersen Capital AG ikke ha rett til å velge noe styremedlem.

"MPC Relaterte Personer" enhver juridisk eller fysisk person som direkte eller indirekte er kontroller av Münchmeyer Petersen Capital AG ellers som er underlagt felles kontroll av aksjonærene i MPC Münchmeyer Petersen Capital AG.

De øvrige medlemmene av styret velges av generalforsamlingen.

§ 7

Selskapets firma tegnes av daglig leder og ett styremedlem i fellesskap eller av to styremedlemmer i fellesskap. Denne retten kan delegeres i sin helhet.

§ 8

Den ordinære generalforsamlingen skal behandle følgende saker:

1) Godkjennelse av årsregnskapet og årsberetningen, herunder utdeling av utbytte

2) Andre saker som etter lov eller vedtekter hører under generalforsamlingen

Når dokumenter som gjelder saker som skal behandles på generalforsamlinger i selskapet, er gjort tilgjengelige for aksjeeierne på selskapets internettsider, kan styret beslutte at dokumentene ikke skal sendes til aksjeeierne. En aksjeeier kan i så fall kreve å få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen. Selskapet kan ikke kreve noen form for godtgjøring for å sende dokumentene til aksjeeierne.

Aksjeeiere kan avgi skriftlig forhåndsstemme i saker som skal behandles på generalforsamlinger i selskapet. Slike stemmer kan også avgis ved elektronisk kommunikasjon. Adgangen til å avgi forhåndsstemme er betinget av at det foreligger en betryggende metode for autentisering av avsender. Styret avgjør om det foreligger en slik metode i forkant av den enkelte generalforsamling. Styret kan fastsette nærmere retningslinjer for skriftlige forhåndsstemmer. Det skal fremgå av generalforsamlingsinnkallingen om det er gitt adgang til forhåndsstemming og hvilke retningslinjer som eventuelt er fastsatt for slik

elect one board member.

If neither MPC Münchmeyer Petersen Capital AG nor any MPC Affiliates owns any shares in the Company, MPC Münchmeyer Petersen Capital AG shall not have the right to elect any board member.

"MPC Affiliates" means any legal or physical person which is directly or indirectly controlled by MPC Münchmeyer Petersen Capital AG or which is jointly controlled by shareholders of MPC Münchmeyer Petersen Capital AG.

The other members of the board of directors shall be elected by the general meeting.

§ 7

The authority to sign on behalf of the company is held by the Managing Director and a board member jointly or by two board members jointly. They are entitled to delegate the authority to sign on behalf of the company to the full extent.

§ 8

The annual general meeting shall discuss and decide upon the following:

1) Approval of the annual accounts and annual report, including distribution of dividend

2) Other matters that according to law or the articles of association are to be decided upon by the general meeting

When documents concerning matters to be discussed at general meetings in the company have been made available to the shareholders on the company's web pages, the Board of Directors may decide that the documents shall not be sent to the shareholders. If so, a shareholder may demand that documents concerning matters to be discussed at the general meeting be sent to him or her. The company cannot demand any form of compensation for sending the documents to the shareholders.

Shareholders may cast a written vote in advance in matters to be discussed at the general meetings of the company. Such votes may also be cast through electronic communication. The access to cast votes in advance is subject to the presence of a safe method of authenticating the sender. The Board of Directors decides whether such a method exists before each individual general meeting. The notice of general meeting must state whether votes in advance are permitted and which guidelines, if any, that have been issued for such voting.

stemmegivning.

The notice of general meeting may state that shareholders wanting to attend the general meeting must notify the company thereof within a certain period. This period cannot expire sooner than five days before the meeting.

I innkalling til generalforsamling kan det fastsettes at aksjeeier som vil delta i generalforsamlingen må meddele dette til selskapet innen en bestemt frist. Fristen kan ikke utløpe tidligere enn fem dager før møtet.

Innenfor lovgivningens rammer kan selskapet benytte elektronisk kommunikasjon til å sende meldinger til eller på annen måte kommunisere med aksjonærene.

To the extent permitted by law the company may use electronic communications when providing notices or otherwise communicating with its shareholders.

Appendix B

MPC CONTAINER SHIPS AS

FINANCIAL REPORT

9 January to 30 September 2017

FINANCIAL INFORMATION

CONSOLIDATED INCOME STATEMENT

in USD thousands	Note	9 January to 30 September 2017
Operating revenue	6	8,219
Commissions		-251
Vessel voyage expenditures		-1,329
Vessel operation expenditures	8	-5,093
Ship management fees		-421
Gross profit		**1,125**
Administrative expenses	9	-850
Depreciation and impairment	14	-1,295
Other expenses		-90
Other income		395
Operating result (EBIT)		**-716**
Share of profit or loss from joint venture	12	470
Other finance income		214
Finance costs	10, 24	-240
Profit/Loss before income tax (EBT)		**-272**
Income tax expenses	11	-64
Profit/Loss for the period		**-336**
Attributable to:		
Equity holders of the Company		-337
Non-controlling interest		1
Basic earnings per share – in USD		**-0.02**
Diluted earnings per share – in USD		**-0.02**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in USD thousands	Note	9 January to 30 September 2017
Profit/loss for the period		-336
Items that may be subsequently transferred to profit or loss		
Foreign currency effects, net of taxes		-42
Other comprehensive profit/loss, net of taxes		-
Items that will not be subsequently transferred to profit or loss		
Other comprehensive profit/loss, net of taxes		89
Other comprehensive profit/loss from joint ventures and affiliates		-
Total comprehensive profit/loss		**-289**
Attributable to:		
Equity holders of the Company		-290
Non-controlling interest		1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in USD thousands	Note	30 September 2017
Assets		**277,243**
Non-current assets		149,926
Vessels	14	133,456
Financial assets	12	16,470
Current assets		127,317
Inventories		966
Trade and other receivables	16	4,066
Cash and cash equivalents	15	122,284
Unrestricted cash		25,426
Restricted cash		96,858
Equity and liabilities		**277,243**
Equity		175,010
Ordinary shares	19, 20	170,909
Share capital		40,836
Share premium		130,073
Retained losses		-378
Other comprehensive income		89
Non-controlling interest	13	4,391
Non-current liabilities		96,419
Interest bearing loans	16	96,419
Current liabilities		5,814
Interest bearing borrowings	17, 24	133
Provisions		1,364
Trade and other payables	17	3,469
Payables to affiliated companies	18, 19	254
Other liabilities		591

Oslo, 21 December 2017

The Board of Directors of MPC Container Ships AS

Ulf Holländer
Chairman

Dr. Axel Schroeder
Board member

Robert Knapp
Board member

Dr. Ottmar Gast
Board member

Darren Maupin
Board member

Constantin Baack
Managing Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in USD thousands	Share capital	Share premium	Retained earnings	Other reserves	Minority interest	Total equity
Incorporation	3					**3**
Share issuance	40,832	135,287			4,389	**180,508**
Share issuance costs		-5,214				**-5,214**
Result of the period			-336		1	**-335**
Foreign currency effects			-42		1	**-41**
Other comprehensive income				89		**89**
Equity as at 30 Sept 2017	**40,835**	**130,073**	**-378**	**89**	**4,391**	**175,010**

CONSOLIDATED STATEMENT OF CASH FLOW

in USD thousands	Note	9 January to 30 September 2017
Profit/Loss before income tax		-272
Income tax expenses		-64
Net change in provisions		1,364
Net change in current assets		-5,033
Net change in current liabilities		4,447
Depreciation		1,295
Cash flow from operating activities		**1,737**
Purchase of vessels	14	-131,187
Purchase of long-term financial assets	12	-16,470
Investment in vessels	14	-3,564
Cash flow from investing activities		**-151,220**
Proceeds from share issuance	19	180,576
Share issuance costs		-5,214
Proceeds from debt financing	16	100,000
Debt issuance costs		-3,581
Cash flow from financing activities		**271,781**
Net change in cash and cash equivalents		122,299
Net foreign exchange differences		-16
Cash and cash equivalents at beginning of period	15	-
Cash and cash equivalents at the end of period	**15**	**122,284**

NOTES

Note 1 - General information

MPC Container Ships AS (the "Company") is a private limited liability company (*Norwegian: aksjeselskap)* incorporated and domiciled in Norway, with registered address at Dronning Mauds gate 3, 0250 Oslo, Norway and Norwegian enterprise number 918494316. The Company was incorporated on 9 January 2017 and operating activity commenced in April 2017, when the first vessels were acquired. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group"). The principal activity of the Group is the investment in and operation of container vessels.

The shares of the Company are listed at Merkur Market at Oslo Stock Exchange as of 31 May 2017 under the ticker MPCC-ME.

The financial statements where approved by the Company's Board of Directors on 21 December 2017.

Note 2 - Basis of preparation

The consolidated financial statements of the Group are prepared in accordance with the accounting principles prescribed by International Financial Reporting Standards (IFRS) as adopted by the European Union. The consolidated financial statements are prepared to meet the listing requirements on Oslo Axess, and the period presented is different from the Company's ordinary year- end which will be the 12 months ending 31 December.

Going concern assumption

The financial statements are based on the going concern assumption.

Financial statement classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

Current assets are assets that are:

- expected to be realized in the entity's normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within 12 months after the reporting period.

Cash or cash equivalents are classified as current assets unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. The current share of long-term assets or liability will be classified as current. All other assets are non-current.

Current liabilities are those:

- expected to be settled within the entity's normal operating cycle
- held for purpose of trading
- due to be settled within 12 months for which the entity does not have an unconditional right to defer settlement beyond 12 months.

All other liabilities are non-current. If a liability has become payable given a breach of an undertaking under a long-term loan agreement, the liability is classified as current.

The income statement of the Group is presented using the cost of sales method.

The cash flow statement of the Group is prepared using the indirect method.

Basis of measurement

The consolidated financial statements were prepared on the basis of historical cost.

The Group's financial year corresponds to the calendar year.

Basis of consolidation

The consolidated financial statements comprise the financial statements of MPC Container Ship AS and its subsidiaries as at 30 September 2017. The assets and liabilities, expenditure and income may only be included in the consolidated financial statements for subsidiaries over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In general, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The consolidation of subsidiaries is carried out from the date at which the Group obtains the control over such companies and subsidiaries continue to be consolidated until the date that such control ceases. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognizes the related assets, liabilities, non-controlling interest and other components of equity while any resultant gain is recognized in profit or loss. Any investment retained is recognized at fair value.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intercompany balances, income and expenses, unrealized gains and losses as well as cash flows resulting from intercompany transactions are eliminated in full.

Minority interests represent the portion of comprehensive income and net assets that is not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from the Company's shareholders' equity.

The Group has included the subsidiaries listed in Note 24 in the consolidated financial statements.

Functional and presentation currency

The consolidated financial statements are presented in US Dollar (USD), which is the functional currency of the parent company of the Group. All financial information presented in USD has been rounded to the nearest thousand USD, except otherwise indicated. Differences from currency translations are classified as financial income.

New and amended standards and interpretations

Standards and interpretations that are issued but not yet effective are disclosed below. Only standards and interpretations that are applicable to the Group have been included and the Group reviews the impact of these changes on its financial statements. The Group's intention is to adopt the relevant new and amended standards and interpretations when they become effective, subject to EU approval before the consolidated financial statements are issued.

- IFRS 9 – Financial instruments: Effective for annual periods beginning on or after 1 January 2018. The standard will replace IAS 39 Financial Instruments: Recognition and Measurement. The Group has made a preliminary assessment of the effects of replacing IAS 39 with IFRS 9, and has not identified any material impact on the Group's financial position.
- IFRS 15 – Revenue from contracts with customers: Effective for annual periods beginning on or after 1 January 2018. The standard will supersede all current revenue recognition requirements under IFRS. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring transportation services to the customer. In view of the Group's current practice for recognizing revenues from time charter contracts as leases, the impact of the new standard on the financial statements of the Group is expected to be immaterial.
- IFRS 16 – Leases: Effective for annual periods beginning on or after 1 January 2019. The standard will replace existing IFRS leases requirements. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for each party to a contract, i.e. the lessee and the lessor. The new standard requires lessees to recognize assets and liabilities for most leases, as the principal distinction between operating and finance leases is removed. For lessors, however, IFRS 16 maintains the principal accounting requirements in IAS 17 and lessors continue to differentiate operating leases and finance leases. Management has made a preliminary assessment of the effects of replacing IAS 17 with IFRS 16, and has not identified any material impact on the Group's financial position.

Note 3 - Significant accounting policies

Foreign currency translation

The consolidated financial statements are presented in USD, which is the functional currency of the parent company of the Group. In accordance with IAS 21, foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transaction.

Vessels and other property, plant and equipment

Fixed assets are stated at historical cost, less subsequent depreciation and impairment. For vessels purchased, these costs include capitalizable expenditures that are directly attributable to the acquisition of the vessels. Upon acquisition, each component of the vessels, with a cost significant to the total acquisition costs, is separately identified and depreciated over that component's useful life on a straight-line basis.

Depreciation is calculated on a straight-line basis over the useful life of the assets, taking residual values into consideration, and adjusted for impairment charges, if any. Residual values of the vessels are estimated as the lightweight tonnage of each vessel multiplied by scrap value per ton. Future depreciations are based on depreciation schedules including residual values. Expected useful lives of assets, and residual values, are reviewed at each balance sheet date and, where they differ significantly from previous estimates, depreciation calculations are altered accordingly.

Ordinary repairs and maintenance expenses are charged to the income statement as incurred. Costs related to dry-docking or other major overhauls are recognized in the carrying amount of the vessels. The recognition is made when the dry-docking has been performed and is depreciated based on estimated time to the next class renewal. The remaining costs that do not meet the recognition criteria are expensed as repairs and maintenance.

Vessels and other property, plant and equipment are derecognized upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising on derecognition of the asse t (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period the asset is derecognized.

Impairment of vessels

Vessels and other fixed assets are assessed for impairment indicators each reporting period. If impairment indicators are identified, the recoverable amount is estimated; and if the carrying amount exceeds its recoverable amount an impairment loss is recognized, i.e. the asset is written down to its recoverable amount. An asset's recoverable amount is calculated as the higher of the net realizable value and its value in use. The net realizable value is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of sale and the value in use is the present value of estimated future cash flows expected from the continued use of an asset.

Assets are grouped at the lowest level where there are separately identifiable independent cash lows. The following assumptions have been made when calculating the value in use for container vessels:

- Each vessel is considered to be a separate cash generating unit.
- Future cash flows are based on an assessment of expected development in charter rates and estimated level of operating expense (including maintenance and repair) and dry docking over the remaining useful like of the vessel plus any residual value.
- The net present value of future estimated cash flows of each cash generating unit is based on a discount rate according to a pre-tax weighted average cost of capital (see Note 14 – Vessels). The weighted average cost of capital is calculated based on the expected long-term borrowing rate and risk-free USD LIBOR rate plus an equity risk premium.

An impairment loss recognized in prior periods for an asset is reversed if there has been a change in the estimates used to determine the asset´s recoverable amount since the last impairment loss was recognized.

Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joi nt control over those policies.

A joint venture is a type of joint arrangement whereby the parti es that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the una nimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are accounted for using the equity method, whereas the investment in an associate or a joint venture is initially recognized at cost and thereafter adjusted for the Groups share of post-acquisition profits or losses, movements in other comprehensive income or dividends received. To recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately. The financial statements of the associate or joint venture are prepared for the same reporting period as the Group.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial reco gnition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reim bursement is virtually certain. The expense relating to any provision is recognized through profit and loss net of any reimbursement.

Trade and other payables

Trade and other payables represent non-interest bearing liabilities for goods and services provided to the Group prior to the reporting date. The amounts are unsecured and are usually paid within 30 days of recognition. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Trade and other receivables

Trade receivables and other short-term receivables are measured at fair value upon initial recognition and subsequently measured at amortized cost.

Inventories

The Group values its inventories, which comprise mainly of lube oils and stores on board the vessels, at the lower of cost and net realizable value. They are accounted for on a first-in/first-out basis.

Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks, on hand and short-term deposits with a maturity of three months or less. Cash equivalents represent short term, liquid investments which are readily convertible into known amounts of cash with original maturities of three months or less.

Cash and cash equivalents are recorded at their nominal values. Liquid funds denominated in foreign currencies are translated at the exchange rate on the balance sheet date.

Share issuance

Costs related to share issuances are recognized directly in equity.

Warrants

The warrants issued by the Company are classified as equity instruments in accordance with IAS 32. Accordingly, the subscription rights are not recognized in the Group's financial statements at the time they are granted. At the time of the execution, the Company issues shares and receives a cash contribution. The cash contribution is accounted for in share capital and capital reserves (in the amount a premium or discount to the shares' par value).

Financial liabilities

All loans and borrowings are initially recognized at fair value less directly attributable transaction costs, and have not been designated as at fair value through profit or loss. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, using assumptions that market participants would use when pricing the asset or liability.

All assets and liabilities for which fair values are measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted market prices included in Level 1 are directly or indirectly observable.
- Level 3: Inputs are unobservable.

Additional explanations of fair values can be found in Note 17 – Financial instruments.

Leases

The determination of whether an arrangement contains a lease element is based on the substance of the arrangement at the inception of the lease. Leases are classified as finance leases if the terms of the lease agreement transfer substantially all the risks and benefits related to ownership of the leased item. All other leases are classified as operating leases.

The Group leases its assets to liner shipping companies through time charter contracts.

Revenue recognition

Revenue is recognized to the extent that it is probably that the economic benefits will flow to the Group and the revenues can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales taxes or duty.

Charter revenues from time charters on operational lease out are recognized on a straight-line basis over the rental periods of such charters, as services are performed.

Revenues for vessels employed in a charter pool are recognized on a straight-line basis over a calculation period of pool revenues. The standard calculation period is one month.

Operating expenses

Operating expenses are accounted for on an accruals basis. Expenses are charged to the income statement, except for those incurred in the acquisition of an investment which are capitalized as part of the cost of the investment. Expenses arising on the disposal of investments are deducted from the disposal proceeds.

Operating expenses of the Group are expenses related to the operation of vessels, such as (but not limited to) crewing expenses, expenses for maintenance and repair, insurance and lube oil.

Interest income

Interest income is recognized as accrued and is presented in financial income in the statement of comprehensive income.

Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares.

Basic earnings per share are calculated by dividing the profit for the reporting period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the reporting period.

Diluted earnings per share are calculated by dividing the profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the relevant taxation authorities.

The Company is subject to tax on its income in accordance with the general tax rules pertaining to companies tax resident in Norway.

The Company's vessel-owning subsidiaries are expected to be subject to the German or Dutch tonnage tax regime, i.e. taxable income is calculated as a lump sum depending on the net tonnage of the respective vessels, independent of the realized earnings. Income not derived from the operation of the vessels in international waters, such as financial income, is usually taxed according the ordinary taxation rules applicable in the resident country of each respective company. Tonnage tax is classified as an operating cost.

Deferred tax liabilities are classified as non-current assets and are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary difference can be utilized.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers in the Group. The chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Board of Directors of the Company. The Group has identified one operating segment as it employs one type of vessels: “Container vessels”.

Note 4 - Significant judgements, estimates and assumptions

The preparation of consolidated financial statements conforming to IFRS requires management to make judgments, estimates and assumptions that may affect assets, liabilities, revenues, expenses and information in notes to these financial statements. Estimates are management’s best assessment based on information available at the date the financial statements are authorized for issue. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have significant effect on the amounts recognized in the consolidated financial statements:

- Asset acquisitions: Judgement is required to determine if a transaction qualifies as a business combination or an asset acquisition, depending on the nature of the transaction. Management makes this determination based on whether the Group has acquired an “integrated set of activities and assets” as defined in IFRS 3 Business Combination, by relevance to the acquisition of underlying inputs, processes applied to those inputs, and resulting outputs. The current and completed vessel acquisitions of the Group are considered as asset acquisitions.
- Consolidation and joint arrangements: The Group has determined that it controls and consolidates its subsidiaries. The Groups holds a 80% interest in Sao Paulo Project Holding GmbH & Co. KG and the Group has determined that it controls the venture in view of voting majorities and board representation; the entity is consolidated as a subsidiary. In addition, the Group holds a 50% ownership interest in 2. Bluewater Holding Schifffahrtsgesellschaft GmbH & Co. KG; the Group has determined that it has joint control over the investee and the ownership is shared with the joint venture partner.

Assumptions and estimation uncertainties

The following assumptions and estimation uncertainties can have a significant risk of resulting in a material adjustment to the carrying amounts of assets:

- Depreciation of vessels: Depreciation is based on estimates of the vessels’ useful lives, residual values less scrapping costs and the depreciation method, which are reviewed by Management at each balance sheet date. Any changes in estimated useful lives and/or residual values impact the depreciation of the vessels prospectively.
- Impairment of vessels: Indicators of impairment of assets are assessed at each reporting date. The impairment assessments demand a considerable degree of estimation. Changes in circumstances and assumptions may significantly affect the estimated recoverable amounts, and a prolonged weak market may result in future impairment losses. The Group’s impairment test for operating vessels is based on the value in use as assessed by performing discounted cash flow calculations. Value in use calculations involve a high degree of estimation and a number of critical assumptions such as time charter rates, operational expenses, residual values and discount rates. The key assumptions used in the impairment assessment are disclosed in Note 14.
- Upon acquisition of each vessel, Management makes an assumption regarding the allocation of vessel purchase prices to residual values of existing time charter contracts and dry dockings.

Note 5 - Segment information

All of the Group’s vessels earn revenue from, seaborne container transportation globally. The vessels exhibit similar economic, trading and financial characteristics. The Group is organized in one operating segment, i.e. the container shipping segment.

The chief operating decision makers measure the financial performance based on the consolidated results for the Group’s vessels. Further, the assets and liabilities are review at a consolidated basis in a consistent manner with the statement of financial position.

The following customers of the Group represent more than 10% of the Group’s total charter revenue: CMA CGM S.A., France (40%) and NYK Line, Japan (10%).

The Group's vessels trade globally and are suitable for various global trading patterns. Therefore, there is no particular focus on a geographic region.

Note 6 - Revenue

in USD thousands	YTD Q3 2017	Number of vessels
Time charter revenue	6,850	12
Pool charter revenue	593	5
Other revenue	776	-
Total operating revenue	**8,219**	**17**

Pool revenues are based on average revenues across the pool the vessels are employed in.

Contracted revenues based on fixed time charter contracts as of 30 September 2017 are set out below, based on minimum contract periods of vessels held in subsidiaries:

in USD thousands	< 6 months	6 – 12 months	>12 months	Total
Time charter revenue	11,589	3,864	2,174	**17,627**

Note 7 - Voyage expenses

in USD thousands	YTD Q3 2017
Bunker consumption	-1,171
Other voyage expenses	-158
Total voyage expenses	**-1,329**

Bunker consumption relates to periods where the vessels have been idle, repositioning or under maintenance and repair. When the vessels are on time charter contracts bunker consumption is for the charterer's expense.

Note 8 - Operating expenses

in USD thousands	YTD Q3 2017
Crew	-2,849
Lube oil	-728
Maintenance and repair	-2,835
Insurances	-384
General Opex	-689
Capitalized portion of operating expenses	2,392
Total operating expenses	**-5,093**

Note 9 - Administrative expenses

in USD thousands	YTD Q3 2017
Legal and advisory services	-388
Auditor services	-38
Other administrative expenses	-424
Total administrative expenses	**-850**

The following table details the administrative expenses incurred in relation to audit and related services.

in USD thousands	YTD Q3 2017
Audit fee (EY)	15
Attestation services	-
Tax services	23
Other non-audit services	-
Total auditor services	**38**

Note 10 - Finance income and expenses

in USD thousands	YTD Q3 2017
Interest income	214
Share of profit or loss from joint venture	470
Total financial income	**684**
Interest expenses	-240
Other financial expenses	-
Total financial expenses	**-240**

An exchange difference of USD -41 thousands is recognized in profit.

Note 11 - Income tax

The Company's subsidiaries in which the vessels are held are expected to be subject to German or Dutch tonnage tax, as applicable. Companies subject to tonnage tax are exempt from ordinary tax on income derived from operations in international waters.

The Company is subject to ordinary corporation tax in Norway:

in USD thousands	YTD Q3 2017
Basis for ordinary corporation tax expense	
Loss before taxes	-272
Tax at ordinary corporation tax rate (24%)	-
Basis for tax on controlled foreign corporation	
Taxable profit of foreign controlled entities	261
Tax at ordinary corporation tax rate (24%)	-64
Total tax expense	**-64**

In Norway and the Netherlands, the Group has an estimated tax loss carried forward amounting to NOK 50 million and EUR 2 million, respectively. The tax loss relates to transaction cost on capital increase in Norway and Bond issuance in the Netherlands can be carried forward indefinitely. Currently, no convincing evidence of using the tax loss exists. Accordingly, the criteria for recognition of a deferred tax assets are not met.

Note 12 - Interest in joint ventures

The Group has a 50% interest in 2. Bluewater Holding Schifffahrtsgesellschaft GmbH & Co. KG, Hamburg (Germany), a company owning five 2,824 TEU container vessels through respective fully owned subsidiaries.

In view of the shared control structure in the joint venture, the Group´s interest in 2. Bluewater Holding Schifffahrtsgesellschaft GmbH & Co. KG is accounted for using the equity method. Summarized financial information of the joint venture, based on its IFRS financial statements, is set out below:

in USD thousands	30 September 2017 / Q3 YTD 2017
Non-current assets	29,347
Cash and cash equivalents	3,510
Other current assets	1,087
Non-current liabilities	-
Current liabilities	1,012
Equity	**32,931**
Group's carrying amount of the investment	**16,470**
Revenue	6,026
Cost of sales	-3,967
Administrative expenses	-674
Other income	14
Other expenses	-81
Depreciation	-379
Interest income	-
Interest expenses	-
Income tax	-
Profit after tax for the period	**939**
Total comprehensive income for the period	**939**
Group's share of profit for the period	**470**
Dividends received	**-**

The joint venture had no contingent liabilities or capital commitments. 2. Bluewater Holding Schifffahrtsgesellschaft GmbH & Co. KG cannot distribute its profits without the consent from the two partners.

Note 13 - Non-controlling interests

in USD thousands	30 September 2017
Aggregated information	108
Sao Paulo Project Holding GmbH & Co. KG	4,283
Total non-controlling interests	4,391

The line item “Aggregated information” is the sum of the 0.1% shares of the ship managers hold in the ship-owning entities of the Group, see Note 26 – Group Companies.

Summarized financial information of Sao Paulo Project Holding GmbH & Co. KG, based on its IFRS financial statements, is set out below for the period included in the consolidated financial statements. Sao Paulo Project Holding GmbH & Co. KG owns two feeder container vessels trough respective subsidiary (see Note 26 – Group companies):

in USD thousands	30 September 2017 / Q3 YTD 2017
Non-current assets	24,783
Current asset	2,892
Current liabilities	6,129
Equity	**21,547**
Revenue	-
Profit after tax for the period	-
Total comprehensive income for the period	**-**
Dividends received	**-**

Note 14 - Vessels

in USD thousands	30 September 2017 / Q3 YTD 2017
Closing balance previous period	**-**
Acquisition of fixed assets	131,187
Capitalized dry-docking and other expenses	3,564
Disposal of fixed assets	-
Acquisition cost	**134,751**
Depreciation	-1,295
Impairment	-
Depreciation and impairment	**-1,295**
Closing balance	**133,456**
Depreciation method	*Straight-line*
Useful life (vessels)	*25 years*
Useful life (dry docks)	*5 years*

As of 30 September 2017, the Group operates 17 vessels in consolidated subsidiaries and 5 vessels through a joint venture arrangement.

Vessel acquisitions: The transaction to acquire the Group´s vessels are accounted for as asset acquisitions.

Impairment: The Management has assessed indicators of impairment as of 30 September 2017. This assessment did not lead to any impairment charges, given that no impairment indicators have been identified and the recoverable amounts are higher than carrying amounts. The value in use calculations are based on a discounted cash flow model with the following main inputs:

- Weighted average cost of capital: 8.4% p.a. (for remaining useful life of 15 years)
- Growth rate for operating expenses: 2.5% p.a.
- Charter rates: Contractual values and historic long-term as estimates of time charter rates for open periods
- Utilization: 98% of available trading days, not including dry dockings
- Residual value: Scrap value based on steel price less costs of scrapping

Minor changes in the assumptions applied in the value in use calculations will not lead to impairment charges.

Note 15 - Cash and cash equivalents

in USD thousands	30 September 2017
Bank deposits denominated in USD	121,634
Bank deposits denominated in EUR	594
Bank deposits denominated in NOK	56
Total cash and cash equivalents	**122,284**

The fair value of cash and cash equivalents at 30 September 2017 is USD 122.3 million. Based on the terms of the senior secured bond, USD 96.9 million in cash are restricted bank balance held in an escrow account as of 30 September 2017; it is expected that the funds will be drawn from the escrow account for vessel acquisitions within less than 6 months. Release of funds from the escrow account are subject to vessel acquisitions and fulfilment of all conditions precedent. The bond terms include a requirement to list the bonds at Oslo Stock Exchange within 6 months from issuing of the bonds.

Bank deposits earn interest at floating rates based on applicable bank deposit rates. Short-term deposits are made for varying periods, depending on the cash requirements of the Group.

Note 16 - Trade receivables

in USD thousands	Total	Neither past due / impaired	Past due but not impaired			
			<30 days	30-60 days	61-90 days	>90 days
30 September 2017	**4,066**	4,066	-	-	-	-

No receivables are past due and no impairment has been required on trade receivables. See Note 24 – Financial Risk Management regarding management of credit risk.

Note 17 - Interest-bearing debt

On 8 September 2017, via its wholly owned subsidiary MPC Container Ships Invest B.V., the Group issued a USD 100 million senior secured bond with a total borrowing limit of USD 200 million. Tapping the remaining USD 100 million of the bond facility is subject to market conditions and investor interest. The bond has a floating interest rate of LIBOR + 4.75% and a 5-year maturity. Settlement of the bond was 22 September 2017 and the bond shall be repaid in full on the maturity date (22 September 2022).

in USD thousands	30 September 2017
Nominal value of issued bonds	100,000
Debt issuance costs	-3,581
Book value of issued bonds	**96,419**

The following main financial covenants are defined in the bond terms:

- Vessel loan to value ratio of MPC Container Ships Invest BV and its subsidiaries shall not exceed 75%;
- MPC Container Ships Invest BV, together with its subsidiaries, shall maintain a minimum liquidity of 5% of the financial indebtedness of MPC Container Ships Invest BV and its subsidiaries; and
- the book equity ratio of the Group shall at all times be higher than 40%. See Note 25 – Capital Management for compliance with this covenant.

The Group is in compliance with all covenants, as per 30 September 2017.

The bond is guaranteed by the Company and all subsidiaries of MPC Container Ships Invest BV.

Note 18 - Financial instruments

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

in USD thousands	Level	Carrying value 30 September 2017	Fair value 30 September 2017
Trade and other receivables	2	4,066	4,066
Cash and cash equivalents	1	122,284	122,284
Financial asset		**126,350**	**126,350**
Interest-bearing debt	3	96,419	96,419
Trade and other current payables	2	4,449	4,449
Financial liabilities		**100,868**	**100,868**

Fair value of trade receivables, cash and cash equivalents and trade payables approximate their carrying amounts due to the short-term maturities of these instruments.

The fair value of interest-bearing debt is estimated by discounting future cash flows using rates for debt on similar terms, credit risk and remaining maturities. Fair value of interest-bearing debt approximates the carrying amounts as there have been no significant changes in the market rates for similar debt financing between the date of securing the debt financing and the reporting date.

Note 19 - Related party disclosure

The Group has entered into a corporate service agreement to purchase administrative and corporate services from MPC Capital AG and its subsidiaries.

The Company is responsible for the technical ship management of the vessels owned by the Group. Performance of technical ship management services is sub-contracted to Ahrenkiel Steamship GmbH & Co. KG, a subsidiary of MPC Capital AG, for 19 of the vessels owned by the Group and joint venture entities.

Commercial ship management of the vessels owned by the Group associated joint ventures is contracted to Contchart Hamburg Leer GmbH & Co.KG, a subsidiary of MPC Capital AG.

The following table provides the total amount of service transaction that have been entered into with related parties for the relevant period:

in USD thousands / Q3 2017 YTD	Group	2. Bluewater Holding Schifffahrtsgesellschaft GmbH & Co. KG
Ahrenkiel Steamship GmbH & Co. KG	303	229
Contchart Hamburg Leer GmbH & Co.KG	85	113
MPC Maritime Investments GmbH	31	-
MPC Capital AG	20	-

As of 30 September 2017, the total outstanding balance payable to related parties is USD 0.2 million.

In order to secure vessel acquisitions prior to the final establishment of the Group, MPC Capital Beteiligungsgesellschaft mbH & Co. KG, a subsidiary of MPC Capital AG, temporarily warehoused AS LAETITIA, AS LAGUNA and AS PAULINA and the shares in 2. Bluewater Holding Schifffahrtsgesellschaft GmbH & Co. KG prior to the final establishment of the Group.

All transactions with related parties are carried out at market terms.

See Note 22 – Warrants regarding the warrants allocated to the founding shareholders.

Directors' and key management's compensation and shareholding

in USD thousands	Shares	Warrants	Compensation
Ulf Holländer (Chairman)	-	-	-
Dr. Axel Schroeder	-	-	-
Dr. Ottmar Gast	-	-	-
Darren Maupin	-	-	-
Robert Knapp	-	-	-
Constantin Baack (Managing Director)	-	-	-

Ulf Holländer and Dr. Axel Schroeder are directors nominated by MPC Group as the founding shareholder.

The salary of Constantin Baack will be fixed by the Board of Directors by year-end 2017.

Note 20 - Share capital

	Number of shares	Share capital (USD thousands)	Share premium (USD thousands)
9 January 2017	300	3	-
20 April 2017	3,000	3	-
20 April 2017	20,003,000	23,132	73,872
19 June 2017	35,003,000	40,836	130,073
30 September 2017	**35,003,000**	**40,836**	**130,073**

The share capital of the Company consists of 35,003,000 shares at 30 September 2017, with nominal value per share of NOK 10. All issued shares are of equal rights and are fully paid up.

Share issuance costs until 30 September 2017 amounted to USD 5.2 million.

See Note 27 – Subsequent events for information on a capital increase completed after the balance sheet date.

Overview of largest shareholders as of 30 September 2017

Shareholder	No. of shares	in %	Type
CSI BETEILIGUNGSGESELLSCHAFT	9,503,000	27.2	
Morgan Stanley & Co. MS & CO LLC MSCO CLI	2,350,000	6.7	NOM
KAS Bank N.V. S/A CLIENT ACC NON T	2,334,691	6.7	NOM
PILGRIM GLOBAL ICAV	1,794,000	5.1	
Brown Brothers Harri FID FDS EUR SMALLER	1,625,000	4.6	NOM
J.P. Morgan Securiti A/C CUSTOMER SAFE KE	1,471,000	4.2	NOM
UTHALDEN A/S V/HARALD MORÆUS HANS	1,150,000	3.3	
VERDIPAPIRFONDET DEL JPMORGAN EUROPE LTD,	1,140,000	3.3	
CREDIT SUISSE SECURI SPECIAL CUSTODY A/C	1,107,000	3.2	NOM
J.P. Morgan Securiti JJPMORGAN SEC PLC -	986,000	2.8	NOM
KLP ALFA GLOBAL ENER	907,000	2.6	
DATUM AS	905,000	2.6	
State Street Bank an A/C CLIENT OMNIBUS F	830,800	2.4	NOM
VATNE EQUITY AS	800,000	2.3	
KLP AKSJENORGE	660,000	1.9	
CACEIS Bank CABDE BR - GRP CBD A	647,000	1.9	NOM
VERDIPAPIRFONDET DEL JPMORGAN EUROPE LTD,	600,000	1.7	
Citibank (Switzerlan S/A Acting as Agent)	600,000	1.7	NOM
SONGA TRADING INC	500,000	1.4	
CLEARSTREAM BANKING	456,910	1.3	NOM
Total	**30,367,401**	**86.6**	

Note 21 - Earnings per share

	YTD Q3 2017
Profit/(loss) for year attributable to ordinary equity holders – in USD thousands	-336
Weighted average number of shares outstanding, basic	20,002,100
Weighted average number of shares outstanding, diluted	21,982,797
Basic earnings per share – in USD	**-0.02**
Diluted earnings per share – in USD	**-0.02**

Note 22 - Warrants

On 20 April 2017, the Company has issued 1,700,000 warrants to MPC Capital Beteiligungsgesellschaft mbH & Co. KG as the founding shareholder, corresponding to 8.5% of the shares issued in the private placement in April 2017. Under the same warrant agreement, on 19 June 2017, the Company has issued 421,046 additional warrants to MPC Capital Beteiligungsgesellschaft mbH & Co. KG considering the equity private placement in June 2017. The total number of independent subscription rights granted to founding shareholders is 2,121,046.

Each warrant gives the holders the right, but no obligation, to subscribe for one share in the Company at the exercise price of the NOK equivalent of USD 5.00 per share, given that the vesting conditions are met. Conditions for exercise are structured in three tranches: 1/3 of the warrants may be exercised at any time after the Company's share price has exceed the NOK equivalent of USD 6.25, the next 1/3 of the warrants may be exercised at any time after the share price has exceed the NOK equivalent of USD 7.25 and the last 1/3 of the warrants may be exercised at any time after the share price has exceed the NOK equivalent of USD 8.25. The warrants are valid for a period of 5 years from 20 April 2017.

The warrants issued to the founding shareholder are recognized as equity instruments in accordance with IAS 32.

Note 23 - Commitments

The Group has entered into agreements for the acquisition of one secondhand container vessel. The Group is committed to pay the purchase prices upon takeover of this vessel, which is expected for Q4 2017. The respective commitment totals USD 8.9 million.

See Note 27 – Subsequent events for additional vessel acquisitions after the balance sheet date.

Note 24 - Financial risk management

This section provides additional information about the Group's policies that are considered most relevant in understanding the operations and management of the Group, in particular objectives and policies of how the Group manages its financial risks, liquidity positions and capital structure.

The Group owns and operates ships for worldwide transportation of containerized cargo. Through its operation, the Group is exposed to market risk, credit risk, liquidity risk and other risks that may negatively influence the value of assets, liability and future cash flows.

Market risk

Market risk from financial instruments is the risk that future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise four types of risk: interest rate risk, foreign currency risk, credit risk and price risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates, i.e. interest payable on the bond issued in September 2017 depends with the short-term LIBOR. The Group manages its interest rate risk by using interest rate hedging instruments. To do so, the Group entered into interest rate swaps and interest rate caps after the balance sheet date. Management estimates that these hedging instruments will be accounting for using hedge accounting. Taking to account these hedging instruments, an increase of the short-term LIBOR rate by 50 basis points would cause the Group's annualized interest expenses to increase by USD 0.3 million or 4%.

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The functional currency of most of the entities in the Group is USD, and the Group has only minor currency risk from its operations since all income and all major vessel costs are in USD. However, the Group has exposure to EUR and NOK as parts of administration and vessel operating expenses and a portion of cash and cash equivalents, other short term assets, trade payables and provisions and accruals are denominated in EUR and NOK. Currently, no financial instruments have been entered into to mitigate this risk. An increase of the USD/EUR exchange rate by 10% would increase cause the vessel operating expenses to increase by approx. 2%.

The Group is subject to *price risk* related to the charter market for feeder container vessel which is uncertain and volatile and will depend upon, among other things, the global and reginal macroeconomic developments. In addition, the future financial position of the Group depends on valuations of the vessels owned by the Group. Currently, no financial instruments has been entered into to reduce this shipping market risk. The Group will normally have limited exposure to risks associated with bunker price fluctuations as the bunkers are for the charterers account when the vessels are on time charter contracts.

Credit risk

Credit risk refers to the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

It is the aim of the Group to enter into contracts with creditworthy counterparties only. Prior to concluding a charter party, the Group evaluates the credit quality of the customer, assessing its financial position, past experience and other factors. Charter hire is paid in advance, effectively reducing the potential exposure to credit risk. Bank deposits are only deposited with internationally recognized financial institutions.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations when they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity and/or undrawn committed credit facilities at all times to meet its obligations. To ensure this, the Group continuously monitors projected cash flows using a liquidity planning tool.

The following table summarizes the contractual maturities of financial liabilities on an undiscounted basis as of 30 September 2017:

in USD thousands	< 1 year	1-5 years	> 5 years	Total
Interest bearing loans and borrowings	-	96,419[1]	-	**96,419**
Interest payments	6,750	27,000		**33,750**

Trade and other payables	4,449	-	-	**4,449**
Provisions	1,364	-	-	**1,364**
Total	**12,563**	**123,419**	**0**	**135,982**

[1] The senior secured bond settled 22 September 2017 will mature on 22 September 2022 in the amount of its nominal value of USD 100 million.

Note 25 - Capital management

A key objective of the Group's capital management is to ensure that the Group maintains a capital structure in order to support its business activities and maximize the shareholder value. The Group evaluates its capital structure in light of current and projected cash flows, the state of the shipping markets, new business opportunities and the Group's financial commitments. Capital is primarily managed on the Group level.

The Group monitors its capital structure using the book equity ratio, which stands at 63% at 30 September 2017. The Group is subject to financial covenants under the bond issued in September 2017 (see Note 17 – Interest-bearing debt). The Group aims at maintaining an equity ratio with adequate headroom to the respective covenant requirements.

in USD thousands	30 September 2017
Book equity	175,010
Total assets	277,243
Book equity ratio	**63.1%**

The Group's intention is to pay dividends in support of the Group's objective of maximizing returns to shareholders. Any future dividends proposed will be at the discretion of the Board of Directors and will depend upon the Group's financial position, earnings, capital requirements, debt covenants and other factors. There are no current estimates regarding the potential future dividend level or timing of dividend payments

Note 26 - Group companies

The Group's consolidated financial statements include the financial statements of the Company and its subsidiaries listed in the table below:

Name	Principal activity	Country of incorporation	Equity interest	Initial consolidation
MPC Container Ships Invest BV	Holding entity	Netherlands	100.0%	2017
AS ANGELINA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS CLARA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS COLUMBIA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS CONSTANTINA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS FABRIZIA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS FATIMA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS FAUSTINA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS FIONA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS FIORELLA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS FORTUNA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS LAETITIA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS LAGUNA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS PETRONIA ShipCo CV	Ship-owning entity	Netherlands	99.9%	2017
AS PAULINA Schifffahrtsgesellschaft mbH & Co. KG	Ship-owning entity	Germany	100.0%	2017
AS FLORETTA Schifffahrtsgesellschaft mbH & Co. KG	Ship-owning entity	Germany	100.0%	2017
Dolphin Container Asset Ltd.	Ship-owning entity	Liberia	100.0%	2017
AS ANGELINA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS CLARA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS COLUMBIA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS CONSTANTINA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS FABRIZIA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS FATIMA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS FAUSTINA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS FIONA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS FIORELLA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS FORTUNA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS PETRONIA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS LAETITIA OpCo BV	General partner entity	Netherlands	100.0%	2017
„AS LAGUNA OpCo BV	General partner entity	Netherlands	100.0%	2017
AS ANGELINA OpCo GmbH	General partner entity	Germany	100.0%	2017
AS CLARA OpCo GmbH	General partner entity	Germany	100.0%	2017
AS COLUMBIA OpCo GmbH	General partner entity	Germany	100.0%	2017
AS CONSTANTINA OpCo GmbH	General partner entity	Germany	100.0%	2017
AS FIONA OpCo GmbH	General partner entity	Germany	100.0%	2017
AS FORTUNA OpCo GmbH	General partner entity	Germany	100.0%	2017
AS F-Schiffe OpCo GmbH	General partner entity	Germany	100.0%	2017
AS PAULINA OpCo GmbH	General partner entity	Germany	100.0%	2017
AS PETRONIA OpCo GmbH	General partner entity	Germany	100.0%	2017
1. Bluewater OpCo GmbH	General partner entity	Germany	100.0%	2017
Sao Paulo Project Holding GmbH & Co. KG	Holding entity	Germany	80.0%	2017
Rio Teslin OpCo GmbH & Co. KG	Ship-owning entity	Germany	80.0%	2017
Rio Thelon OpCo GmbH & Co. KG	Ship-owning entity	Germany	80.0%	2017

Ownership rights equal voting rights in all subsidiary entities.

Note 27 - Subsequent events

On 20 October 2017, the Group took over “HS ONORE” tbn “AS CLARITA”, a 2006 built 2,846 TEU vessel. The purchase price was USD 8.9 million.

On 27 October 2017, the Group announced that it entered into an agreement to acquire “WUHAN TRADE” tbn “AS PETULIA”, a 2008 built 2,564 TEU vessel, and “FSL SANTOS” tbn “AS FRIDA”, a 2003 built 1,200 TEU vessel. The total purchase price is USD 15.4 million.

On 2 November 2017, the Group announced that it entered into an agreement to acquire “HS LISZT” tbn “AS

FILIPPA", a 2008 built 1,350 TEU vessel. The purchase price is USD 6.2 million.

On 23 November 2017, the Group took over "WUHAN TRADER" tbn "AS PETULIA, a 2008 built 2,564 TEU vessel. The purchase price was USD 9.3 million.

On 23 November 2017, the Company completed a private placement of 30.25 million new shares with gross proceeds of USD 175 million. The private placement was completed at a subscription price of NOK 47.50 per share. Settlement of the private placement was approved by an extraordinary general meeting of the Company on 4 December 2017. The new shares were registered on 11 December 2017.

On 24 November 2017, the Group announced that it entered into a commitment to acquire a fleet of ten feeder container vessels with a total purchase price of USD 130.0 million.

On 11 December 2017, the Group announced that it entered into a commitment to acquire three feeder container vessels with a total purchase price of USD 31.9 million.

On 20 December 2017, the Group announced that it entered into a commitment to acquire two feeder container vessels with a total purchase price of USD 16.1 million.

As per 21 December 2017, the Group has acquired or agreed to acquire 41 vessels.

Statsautoriserte revisorer
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of MPC Container Ships AS

Opinion

We have audited the accompanying consolidated financial statements of MPC Container Ships AS, which comprise the consolidated statement of financial position as at 30 September 2017, the consolidated statements of Income, comprehensive income, cash flow and changes in equity from 9 January 2017 to 30 September 2017 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Group as at 30 September 2017 and its financial performance for the period then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for opinion

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

Responsibilities of management for the financial statements

The Board of Directors and the Managing Director ("Management") is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Oslo, 22 December 2017
ERNST & YOUNG AS

Jon-Michael Grefsrød

Jon-Michael Grefsrød
State Authorised Public Accountant (Norway)