



MPC CONTAINER SHIPS INVEST B.V.

FINANCIAL REPORT

Q4 2018

MPC CONTAINER SHIPS INVEST B.V.

FOURTH QUARTER AND FULL-YEAR 2018 HIGHLIGHTS

- Total revenues were USD 33.4 million in Q4 2018 (Q3 2018: USD 36.8 million). In 2018, total revenues were USD 122.7 million.
- Net loss was USD -4.6 million in Q4 2018 (Q3 2018: net profit of USD 2.0 million). In 2018, net loss was USD -3.1 million.

BUSINESS OVERVIEW AND CORPORATE DEVELOPMENT

MPC Container Ships Invest B.V. (the “Company”, together with its subsidiaries the “Group”) is a private limited liability company incorporated and domiciled in the Netherlands, with registered address at Strawinskyiaan 835, World Trade Center, Tower B, 8th floor, Amsterdam NL1077, Netherlands and Dutch enterprise number 69545103. The Company was incorporated on 6 September 2017 and operating activity commenced in September 2017. These consolidated financial statements comprise the Company and its subsidiaries. The principal activity of the Group is the investment in as well as operating and financing container vessels.

The Company is controlled by the MPC Container Ships ASA (“the Parent”), a public limited liability company incorporated and domiciled in Norway, with registered address at Dronning Mauds gate 3, 0250 Oslo, Norway and Norwegian enterprise number 918 494 316. The Group is included in the consolidated financial statements of the Parent. The shares of the Parent are listed on the Oslo Stock Exchange under the ticker “MPCC”.

The following significant events occurred within the Group in 2018:

- The Company took ownership of an additional 22 feeder container vessels.
- On 2 February 2018, a USD 100 million tap issue on the Company’s senior secured bond was completed. The total nominal amount of bonds outstanding is USD 200 million as at 31 December 2018.
- On 22 May 2018, the Company announced that all USD 200 million bond proceeds had been successfully invested in accordance with the bond terms.
- On 14 June 2018, the Company listed its senior secured bond at the Oslo Stock Exchange under ticker code “MPCBV”.

As at 31 December 2018, the Company’s share capital is EUR 1 comprised by 1 share, with a nominal value of EUR 1. As at the same date, the Group has acquired and taken ownership of 40 container vessels between 966 TEU and 2,846 TEU. Of these, 16 vessels have been contributed by the Parent and the remaining 24 vessels have been acquired through equity and bond proceeds.

PRELIMINARY Q4 AND FULL-YEAR 2018 RESULTS

Financial performance

The Group’s vessels are chartered out on time charter contracts to global and regional liner shipping companies. Time charter revenues were USD 33.4 million in Q4 2018 (Q3 2018: USD 36.8 million) and USD 122.7 million in 2018. The gross profit from vessel operations was USD 6.4 million in Q4 2018 (Q3 2018: USD 11.5 million) and USD 32.6 million in 2018.

The Group reports a loss before taxes of USD -4.4 million for Q4 2018 (Q3 2018: net profit of USD 2.0 million) and a loss before taxes of USD -2.9 million in 2018. The net result for the period was USD -4.6 million in Q4 2018 (Q3 2018: USD 2.0 million) and USD -3.1 million in 2018.

The financial performance of the Group needs to be put in perspective, given that the Group during 2017 and 2018 was in the ramp-up phase of its operation. As such, the operating result of the Group has been impacted by frequent vessel take-overs as well as one-off costs for the start-up phase associated with the establishment and development of the Company. The Group took over 22 vessels in 2018.

Financial position

The Group's total assets amounted to USD 414.0 million as at 31 December 2018 (USD 225.7 million as at 31 December 2017). Non-current assets in the amount of USD 376.5 million comprise of vessels taken over.

Total equity was USD 208.3 million as at 31 December 2018 (USD 123.5 million as at 31 December 2017) with minority interest of USD 0.3 million. As at 31 December 2018, the Group had interest-bearing financial liabilities in the amount of USD 194.1 million (USD 96.4 million as at 31 December 2017), mainly resulting from the second bond tap in February 2018.

Cash flow

During Q4 2018, the Group generated a positive cash flow from operating activities of USD 2.0 million (Q3 2018: USD 1.2 million). The cash flow from investing activities into vessels was USD -4.9 million (Q3 2018: USD -3.8 million). The group had a positive cash flow from financing activities of USD 0.1 million compared to a negative cash flow in Q3 2018 of USD -0.4 million.

The total net change in cash and cash equivalents from 30 September 2018 to 31 December 2018 was USD -2.8 million.

Cash and cash equivalents as at 31 December 2018 were USD 19.3 million.

CONTAINER MARKET UPDATE

While the first half of 2018 was characterized by strongly improving containership markets, the second half was the exact opposite with a growing idle fleet and charter rates decreasing to early 2018 levels or below. Secondhand prices tracked reduction in earnings at a slower pace and the transaction volume shrank. The demand side was negatively affected by a number of geopolitical and economic factors, leading to a slower container trade growth of 4.3% (2017: 5.6%). The supply side experienced an acceleration in newbuilding deliveries in the first half of 2018, and demolition levels picked up only towards the end of the year, both markets driven by the changing market sentiment from early to late 2018, leading to overall fleet growth of 5.6% (2017: 3.8%).

Demand

The demand side developed relatively healthy in 2018 overall, although a number of trades did underperform (e.g. Asia-Europe, Middle East, South America) and various political and economic factors took their toll on volumes and sentiment. Container trade is estimated to have grown by about 2.5% on Mainlane East-West trades, 2.5% on Non-Mainlane East-West trades, 5.3% on North-South trades and 5.7% on Intra-Regional trades.

Trade tariffs and the threat thereof were a key topic in 2018 and continue to be a major factor in 2019. While the anticipation of additional tariffs did boost Transpacific volumes in Q4 2018, other trades were generally not affected significantly in 2018. However, the overall effect on market sentiment and the danger of an escalating trade war are posing major risks to the demand side in 2019. Furthermore, global economic growth projections have been adjusted downwards recently e.g. the IMF now forecasts 3.5% and 3.6% for 2019 and 2020, respectively, downward-adjusted from 3.7%.

For 2019, container trade growth projections range from 3.8% to 4.4%, representing a relatively healthy level in the base case, which is generally subject to an escalation of trade tensions.

Fleet development

Fleet growth in 2018 was driven by positive market sentiment early in the year with the consequence of very high newbuilding delivery levels in the first quarter following a slow-down in each subsequent quarter. Overall, deliveries added up to about 1.3 million TEU in 2018 with a major share of 85% accountable to large vessels above 10,000 TEU.

In parallel, demolitions were almost negligible in the first three quarters until picking up again in the last quarter. 39 ships have been recycled in Q4 2018, a significant pick-up compared to 28 ships in the three previous quarters combined. Demolitions were mainly focused on feeder vessels, as can be expected based on the age profile in this segment.

Overall, net fleet growth is estimated to have reached 5.6% in 2018, while the feeder fleet between 1,000 and 3,000 TEU is expected to have grown by around 3%.

Contracting of newbuildings picked up significantly in 2018 with about 1.2 million TEU for over 200 units, compared to only 140 units of 0.9 million TEU in 2017. Korean and Taiwanese liners invested substantially in large vessels, but in particular newbuilding contracts for feeder vessels increased, making up about 66% of ordered vessels. A total of 125 orders (0.25 million TEU) were placed for feeder vessels in 2018, mainly by or on behalf of Asian operators.

In 2019, fleet growth is expected to slow to about 2.9% overall and 3.5% in the feeder segment. Reduced pressure on the supply side should definitely be a positive for 2019, especially considering the risks on the demand side.

Asset prices

Newbuilding prices have increased by about 15% for feeder containerships in 2018, higher than in other main shipping segments such as dry bulk and tankers. The main reasons are high demand for newbuilding contracts and increased material costs.

Newbuilding prices in December 2018:

- 1,000 TEU: USD 19.0 million (up 10% year-to-date)
- 1,700 TEU: USD 26.0 million (up 12% year-to-date)
- 2,750 TEU: USD 35.0 million (up 18% year-to-date)
- 4,800 TEU: USD 49.75 million (up 12% year-to-date)

Secondhand volumes had a mixed year with robust activity levels from Q1 to Q2 2018 succeeded by a weaker second half-year. In total, 181 container ships with 0.59 million TEU were sold in 2018, corresponding to about half of the capacity changing hands in the record year 2017.

In Q3 and Q4, there was no shortage of sales candidates, but uncertainties in the market outlook created a rather hesitant purchasing market which negatively impacted buying sentiment. Consequently, secondhand values of containerships declined in recent months, but are still up year-on-year.

Secondhand prices (10yr old) in December 2018:

- 1,000 TEU: USD 5.5 million (down 27% year-to-date)
- 1,700 TEU: USD 10.5 million (up 11% year-to-date)
- 2,750 TEU: USD 13.5 million (up 17% year-to-date)
- 4,300 TEU: USD 11.0 million (up 5% year-to-date)

Charter rates

In May and June 2018, charter rates reached their highest level in three years after a solid start to the year. A shift was then brought about by the efforts of liner shipping companies to improve their profitability by implementing more conservative capacity management and redelivering chartered tonnage. The expected late summer/early autumn upswing failed to materialize and general market sentiment turned negative in Q3 amidst weak trade data (e.g. Asia-Europe) and intensifying Sino-American trade tensions. Idle fleet increased by around one third in the course of Q4 2018 and stood at 2.8% of the total fleet as at 31 December, albeit far below the corresponding figure of 7.8% from the same quarter of 2016. In Q3 and Q4, charter rates fell to around January 2018 levels for vessels between 2,000 and 3,000 TEU, while the segment between 1,000 and 2,000 TEU was hit harder and closed the year well below early 2018 levels.

Time charter rates (6-12 months) in December 2018:

- 1,000 TEU: USD 6,350 (down 7% year-to-date)
- 1,700 TEU: USD 7,500 (down 20% year-to-date)
- 2,750 TEU: USD 9,500 (up 3% year-to-date)
- 4,300 TEU: USD 9,000 (up 3% year-to-date)

Market outlook

The outlook into 2019 is driven by three major topics: IMO 2020, global economic growth and the threat of a trade war.

As the deadline for compliance with IMO 2020 regulations is fast approaching, ship owners are preparing to bunker compliant fuel or install scrubbers in order to continue burning high sulphur fuel oil. The new regulations introduce a high level of uncertainty, as demonstrated by different compliance strategies of the liner companies, but this also brings opportunities. Supply growth, expected to be limited compared to 2018, is likely to be impacted by ships being taken out of service for scrubber installations.

The outlook on global economic growth has recently been adjusted downwards due to risks such as weakening developed economies or a slowdown in China. Further, a major risk to container trade growth is an escalation of trade tensions, particularly between the US and China. The outcome is difficult to predict and while the downside risks are high, market sentiment is already driven by these uncertainties. If tensions ease off and situations normalize, there is certainly also an upside case.

FORWARD-LOOKING STATEMENTS

Forward-looking statements presented in this report are based on various assumptions. The assumptions are subject to uncertainties and contingencies that are difficult or impossible to predict. MPC Container Ships Invest B.V. cannot give assurances that expectations regarding the outlook will be achieved or accomplished.

FINANCIAL INFORMATION ¹⁾

CONSOLIDATED INCOME STATEMENT

<i>in USD thousands</i>	Note	Q4 2018 (unaudited)	Q3 2018 (unaudited)	Q4 2017 (unaudited)	FY 2018 (unaudited)	FY 2017 (audited)
Charter revenues	3	33,397	36,779	10,540	122,730	10,540
Commissions		-1,207	-1,416	-417	-4,708	-417
Vessel voyage expenditures		-6,100	-3,412	-1,489	-12,738	-1,489
Vessel operation expenditures		-18,191	-18,886	-7,435	-67,125	-7,435
Ship management fees		-1,514	-1,556	-607	-5,605	-607
Gross profit		6,386	11,509	591	32,556	591
Administrative expenses		-1,057	-498	-146	-2,310	-146
Depreciation	5	-5,892	-4,724	-1,646	-18,698	-1,646
Other expenses		-21	30	-77	-452	-77
Other income		204	13	18	713	18
Operating result (EBIT)		-380	6,330	-1,260	11,808	-1,260
Other finance income	4	41	44	161	251	179
Finance costs	4, 7	-4,047	-4,327	-1,703	-14,954	-1,849
Profit/Loss before income tax (EBT)		-4,386	2,046	-2,802	-2,895	-2,930
Income tax expenses		-245	0	-22	-245	-22
Profit/Loss for the period		-4,631	2,046	-2,824	-3,140	-2,952
Attributable to:						
Equity holders of the Company		-4,631	2,039	-2,823	-3,153	-2,951
Minority interest		0	8	-1	13	-1

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>in USD thousands</i>	Notes	Q4 2018 (unaudited)	Q3 2018 (unaudited)	Q4 2017 (unaudited)	FY 2018 (unaudited)	FY 2017 (audited)
Profit/Loss for the period		-4,631	2,046	-2,824	-3,140	-2,952
Items that may be subsequently transferred to profit or loss		-1,305	417	139	879	139
Cash flow hedge reserve		-1,370	468	157	865	157
Foreign currency		65	-51	-18	14	-18
Items that will not be subsequently transferred to profit or loss		0	0	0	0	0
Total comprehensive profit/loss		-5,936	2,463	-2,685	-2,261	-2,813
Attributable to:						
Equity holders of the Company		-5,936	2,456	-2,684	-2,274	-2,812
Non-controlling interest		0	8	-1	13	-1

1) Seeing as MPC Container Ships Invest B.V. commenced operations in September 2017, 2017 financial figures are only consisting financial figures from this period

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>in USD thousands</i>	Note	31 December 2018 (unaudited)	31 December 2017 (audited)
Assets		414,040	225,673
Non-current Assets		376,507	162,368
Vessels	5	376,507	148,386
Prepayment on vessels	5	0	13,419
Other assets		0	563
Current assets		37,534	63,305
Inventories		3,545	1,051
Trade and other receivables		14,737	2,706
Cash and cash equivalents		19,252	59,548
Unrestricted cash		9,252	18,694
Restricted cash		10,000	40,854
Equity and liabilities		414,040	225,673
Equity		208,306	123,490
Ordinary shares		213,091	126,150
Share capital	6	0	0
Capital reserves	6	213,090	126,150
Retained earnings		-6,104	-2,951
Other comprehensive income		1,018	139
Minority interest in equity		302	152
Non-current Liabilities		193,963	96,242
Interest bearing long-term debt	7	193,963	96,242
Current Liabilities		11,771	5,941
Interest bearing short-term debt	7	158	129
Trade and other payables		3,858	4,678
Payables to affiliated companies		2,789	529
Other liabilities		4,965	606

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>in USD thousands</i>	Share capital	Share premium	Retained earnings	Other comprehensive income	Minority interest	Total equity
Incorporation (6 Sept. 2017)	0					0
Additional capital contribution		126,150			153	126,303
Result of the period			-2,951		-1	-2,952
Cash flow hedge reserve				157		157
Foreign currency effects				-18		-18
Equity as at 31 Dec. 2017	0	126,150	-2,951	139	152	123,490
Equity as at 1 Jan. 2018	0	126,150	-2,951	139	152	123,490
Additional capital contribution		86,940				86,940
Capital increase in non-controlling interest					136	136
Result of the period			-3,153		13	-3,140
Cash flow hedge reserve				865		865
Foreign currency effects				14		14
Equity as at 31 Dec. 2018	0	213,090	-6,104	1,018	302	208,306

CONSOLIDATED STATEMENT OF CASH FLOW

<i>in USD thousands</i>	Q4 2018 (unaudited)	Q3 2018 (unaudited)	Q4 2017 (unaudited)	FY 2018 (unaudited)	FY 2017 (audited)
Profit/Loss before taxes	-4,386	2,046	-2,802	-2,895	-2,930
Income tax paid	0	0	0	0	0
Finance expenses, net	4,006	4,283	1,542	14,703	1,670
Interest paid	-3,717	-3,918	-1,402	-13,651	-1,535
Interest received	41	44	160	250	178
Net change in current assets	1,827	-8,931	-1,081	-14,525	-4,320
Fair value change in derivatives	-1,370	468	157	865	157
Net change in current liabilities	-313	2,461	3,180	5,556	6,194
Cash upfront payment for hedge instruments			-563		-563
Depreciation	5,892	4,724	1,646	18,698	1,646
Cash flow from operating activities	1,981	1,178	836	9,003	496
Purchase of vessels	0	0	-47,982	-204,403	-144,902
Dry-docking and other investments	-4,858	-3,788	-4,989	-28,414	-4,989
Prepayment on vessels	0	0	-13,419	0	-13,419
Cash flow from investing activities	-4,858	-3,788	-66,390	-232,817	-163,310
Proceeds from shareholder's contribution	102	0	19,922	87,076	126,302
Gross proceeds debt financing	0	0	0	100,000	100,000
Bond issuing costs	0	-380	0	-3,555	-3,940
Cash flow from financing activities	102	-380	19,922	183,521	222,362
Net change in cash and cash equivalents	-2,775	-2,990	-45,631	-40,293	59,548
Net foreign exchange differences	6	-2	0	-3	0
Cash and cash equivalents at beginning of period	22,021	25,013	105,179	59,548	0
Cash and cash equivalents at the end of period	19,252	22,021	59,548	19,252	59,548

NOTES

Note 1 - General information

MPC Container Ships Invest B.V. (the “Company”, together with its subsidiaries the “Group”) is a private limited liability company incorporated and domiciled in the Netherlands, with registered address at Strawinskyiaan 835, World Trade Center, Tower B, 8th floor, Amsterdam NL1077, Netherlands and Dutch enterprise number 69545103. The Company was incorporated on 6 September 2017 and operating activity commenced in September 2017. This consolidated financial report comprises the Company and its subsidiaries. The principal activity of the Group is the investment in as well as operating and financing of container vessels.

The Company is controlled by MPC Container Ships ASA (the “Parent”), a public limited liability company incorporated and domiciled in Norway, with registered address at Dronning Mauds gate 3, 0250 Oslo, Norway and Norwegian enterprise number 918 494 316. The Group is included in the consolidated financial statements of the Parent. The shares of the Parent are listed on the Oslo Stock Exchange under the ticker “MPCC”.

Note 2 - Basis of preparation

The unaudited interim financial statements for the period ended 31 December 2018 are prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”) and as adopted by the European Union (“EU”). The statements have not been subject to audit. The statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as at 31 December 2017. The consolidated financial statements are presented in USD thousands unless otherwise indicated.

The accounting policies adopted in the preparation of the condensed consolidated interim financial reporting are consistent with those applied in the preparation of the Group’s consolidated financial statements for the period ended 31 December 2017 except for the new standards effective as of January 2018.

The Group implemented IFRS 15 starting 1 January 2018. Based on the assessment performed by the Group, the time charter contracts are separated into a bare boat component (lease element), which is accounted for using the lease standard, and a service element component which is accounted for using IFRS 15. The standard has been implemented using the modified retrospective approach. The cumulative effect of initial applying of the standard recorded to equity was assessed to be 0. Hence, the implementation of IFRS 15 has only affected the note disclosures. See note 5 for further details. The implementation of IFRS 9 on financial instruments have not had a material impact on the Group’s result and financial position.

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 will adopt the relevant new and amended standards and interpretations when they become effective, subject to EU approval before the consolidated financial statements are issued.

The Group has performed a preliminary assessment of IFRS 16, and the new standard will not have a material impact on the Group’s result and financial position.

Note 3 - Revenue

<i>in USD thousands</i>	Q4 2018	FY 2018
Time charter revenue	20,813	75,783
Pool charter revenue	10,071	38,893
Other revenue	2,514	8,055
Total operating revenues	33,397	122,730

The Group's time charter contracts are separated into a bare boat component and a service element component. The bare boat element of the vessel represents the use of the vessel without any associated performance obligations and are accounted for in accordance with the lease standard. Revenues for time charter services (service element) and other revenue are accounted for in accordance with IFRS 15.

<i>in USD thousands</i>	Q4 2018	FY 2018
Service element	15,186	55,259
Other revenue	2,514	8,055
Total revenue from customer contracts	17,700	63,314
Lease revenue	15,697	59,416
Total operating revenue	33,397	122,730

Note 4 - Finance income and expenses

<i>in USD thousands</i>	Q4 2018	FY 2018
Interest income	41	251
Total financial income	41	251
Interest expenses	-4,047	-14,802
Other financial expenses	0	-152
Total financial expenses	-4,047	-14,954

Interest paid under the bond agreement as at 31 December 2018 amounts to USD 13.7 million.

Note 5 - Vessels

<i>in USD thousands</i>	Payments	Vessels	Total
As at 1 January 2018, net of accumulated depreciation	13,419	148,386	161,805
Additions (mainly upgrades and docking of vessels)		28,414	28,414
Vessel purchases ¹		204,986	204,986
Reclassifications to vessels	-13,419	13,419	0
Depreciation for the period		-18,698	-18,698
As at 31 December 2018, net of accumulated depreciation	0	376,507	376,507

1) The additions on vessel includes the values of belonging time charter contracts from vessel acquisitions where the charter rate are assumed to be different from the market rates. The value of the time charter contracts are amortized over the remaining period of the contracts (2018-2020).

As at 31 December 2018, the Group owns and operates 40 vessels through consolidated subsidiaries. In 2018, the Group identified impairment indicators and an impairment test for all cash generating units ("CGU's") was performed. The assessment and impairment test did not lead to any impairment charges.

Note 6 - Share capital

<i>in USD thousands</i>	Number of shares	Share capital (USD)	Share premium (USD)
31 December 2017	1	1	126,150
Equity injections in 2018	0	0	86,940
31 December 2018	1	1	213,090

As at 31 December 2018, the share capital of the Company consists of 1 share with nominal value per share of EUR 1, paid on 13 October, 2017. Share premium represents the additional contributions made by the Parent (substantially through vessels and cash).

Note 7 - Interest-bearing loans

On 8 September 2017, the Company issued a USD 100 million senior secured bond with a total borrowing limit of USD 200 million. The bond has a floating interest rate of LIBOR + 4.75% and a five-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). The Group has entered into fixed interest-rate swap agreements for USD 50 million of the USD 200 million senior secured bond. For the remaining senior secured bond of USD 150 million, the Group has entered into interest cap and collar agreements.

On 2 February 2018, a USD 100 million tap issue on the above-mentioned bond was completed. As such, the total nominal amount of bonds outstanding is USD 200 million as at 31 December 2018.

On 22 May 2018, the Company announced that all USD 200 million bond proceeds had been successfully invested in accordance with the bond terms.

On 14 June 2018, the Company listed the bond at the Oslo Stock Exchange with ticker code "MPCBV".

<i>In USD thousands</i>	31 December 2018	31 December 2017
Nominal value of issued bonds	200,000	100,000
Issuance costs	-6,039	-3,758
Accrued interest	161	129
Interest-bearing debt	194,121	96,371

In addition to customary protection rights for the benefit of the bond holders, the following financial covenants, as defined in the bond terms, are applicable at the level of the Parent's consolidated figures:

- The Group shall maintain a minimum liquidity of 5% of the consolidated financial indebtedness; and
- The consolidated book-equity ratio of the Parent shall at all times be higher than 40%.

The following financial covenant, as defined in the bond terms, is applicable at the level of the Company's consolidated figures:

- Vessel loan to value ratio of the Company and its subsidiaries shall not exceed 75%.

The Group is in compliance with all covenants as at 31 December 2018.

The bond is guaranteed by the Parent and all subsidiaries of the Company.

The bond terms contain voluntary call options to early redeem the bonds, which is currently not expected. In addition, there is also a mandatory put option upon change in controlling shareholder.

Note 8 - Group companies

The Group's consolidated financial statements include the financial reports of the Company and its subsidiaries listed in the table below:

Name	Principal activity	Country of incorporation	Equity interest	Initial consolidation
"AS LAETITIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS LAGUNA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS PAULINA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS PETRONIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS CLARA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS ANGELINA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS FATIMA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS FLORETTA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS FAUSTINA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS FABRIZIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS FIORELLA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS COLUMBIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS CLARITA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS FRIDA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS CALIFORNIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS FIONA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS CONSTANTINA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS FORTUNA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS LAURETTA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS SAVANNA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2017
"AS FILIPPA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS SOPHIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS SERENA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS CLEMENTINA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS SICILIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS SEVILLIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS PATRIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS PALATIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS CYPRIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS CARELIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS FABIANA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS FEDERICA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS FLORIANA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS RICCARDA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS RICCARDA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS RAGNA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS ROMINA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS ROSALIA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS SARA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018

"AS FLORA" ShipCo C.V.	Ship-owning entity	Netherlands	99.9%	2018
"AS LAETITIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS LAGUNA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS PAULINA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS PETRONIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS CLARA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS ANGELINA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS FATIMA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS FLORETTA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS FAUSTINA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS FABRIZIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS FIORELLA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS COLUMBIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS CLARITA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS FRIDA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS CALIFORNIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS FIONA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS CONSTANTINA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS FORTUNA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS LAURETTA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS SAVANNA" OpCo B.V.	General partner entity	Netherlands	100.0%	2017
"AS FILIPPA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS SOPHIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS SERENA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS CLEMENTINA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS SICILIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS SEVILLIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS PATRIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS PALATIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS CYPRIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS CARELIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS FABIANA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS FEDERICA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS FLORIANA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS RICCARDA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS RICCARDA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS RAGNA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS ROMINA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS ROSALIA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS SARA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018
"AS FLORA" OpCo B.V.	General partner entity	Netherlands	100.0%	2018

Ownership rights equal voting rights in all subsidiaries.

Note 9 - Subsequent events

None.