



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 918 665 803
Organisasjonsform: Aksjeselskap
Foretaksnavn: SKANSEKAIA DRIFT AS
Forretningsadresse: Skansekaia 4A
6002 ÅLESUND

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Jostein Fjelland
Dato for fastsettelse av årsregnskapet: 03.07.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 24.07.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Other income	3	7 756 000	7 462 000
Sum inntekter		7 756 000	7 462 000
Kostnader			
Crewing expenses vessels	13		
Depreciation	5	1 776 000	3 300 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	6	-155 475 000	-310 950 000
Administration	4	-21 509 000	-32 234 000
Sum kostnader		-175 209 000	-339 884 000
Driftsresultat		233 740 000	419 276 000
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	7	2 826 000	16 933 000
Annen renteinntekt	7	-5 164 000	760 000
Financial income	7	84 000	4 932 000
Sum finansinntekter		-2 253 000	22 625 000
Rentekostnad til foretak i samme konsern	7		
Annen rentekostnad	7	-721 000	-4 563 000
Financial expenses	7	106 000	8 228 000
Sum finanskostnader		-615 000	3 665 000
Netto finans	7	-1 638 000	18 960 000
Ordinært resultat før skattekostnad		181 327 000	366 306 000
Tax	8		
Ordinært resultat etter skattekostnad		181 327 000	366 306 000
Årsresultat		543 980 000	1 098 917 000
Årsresultat etter minoritetsinteresser		181 327 000	366 306 000
Totalresultat		181 327 000	366 306 000



Resultatregnskap

Beløp i: NOK	Note	2022	2021
Overføringer og disponeringer			
Transferred from other equity		181 327 000	366 306 000
Sum overføringer og disponeringer		181 327 000	366 306 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	8		
Negative goodwill	6		-155 475 000
Sum immaterielle eiendeler			-155 475 000
Varige driftsmidler			
Fixed assets office	5	6 643 000	8 419 000
Sum varige driftsmidler		6 643 000	8 419 000
Investments in shares			
Sum anleggsmidler		13 286 000	-138 638 000
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables		19 779 000	321 000
Other short-term receivables	9	892 000	4 659 000
Sum fordringer		20 671 000	4 980 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	10	16 752 000	11 956 000
Sum bankinnskudd, kontanter og lignende		16 752 000	11 956 000
Sum omløpsmidler		37 424 000	16 937 000
SUM EIENDELER		44 067 000	-130 120 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	11, 12	30 000	30 000



Balanse

Beløp i: NOK	Note	2022	2021
Beholdning av egne aksjer	12		
Sum innskutt egenkapital		30 000	30 000
Opptjent egenkapital			
Uncovered loss		-2 350 473 000	-2 531 799 000
Sum opptjent egenkapital		-2 350 473 000	-2 531 799 000
Sum egenkapital	11	-2 350 443 000	-2 531 769 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	13	5 136 000	8 376 000
Utsatt skatt	8		
Sum avsetninger for forpliktelser		5 136 000	8 376 000
Annen langsiktig gjeld			
Other non-current liabilities		14 294 000	16 235 000
Sum annen langsiktig gjeld		14 294 000	16 235 000
Sum langsiktig gjeld		19 430 000	24 611 000
Kortsiktig gjeld			
Leverandørgjeld		9 550 000	2 235 000
Tax payable	8		
Other current liabilities	9	2 365 529 000	2 374 804 000
Sum kortsiktig gjeld		2 375 079 000	2 377 039 000
Sum gjeld		2 394 509 000	2 401 650 000
SUM EGENKAPITAL OG GJELD		44 067 000	-130 120 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 631957

Enheten

Organisasjonsnummer: 918 665 803
Organisasjonsform: Aksjeselskap
Foretaksnavn: SOLSTAD ÅLESUND AS
Forretningsadresse: Skansekaia 4A
6002 ÅLESUND

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

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årsregnskapet til selskapet: Regnskapslovens alminnelige regler

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Bekreftet av representant for selskapet: Jostein Fjelland
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Brønnøysundregistrene, 01.08.2023



Organisasjonsnr: 918 665 803
SOLSTAD ÅLESUND AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
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Sum overføringer og
disponeringer

181 327 000

366 306 000



Organisasjonsnr: 918 665 803
SOLSTAD ÅLESUND AS

BALANSE

Beløp i: NOK	Note	2022	2021
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Fordringer			
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BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
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Beholdning av egne aksjer	12		
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Opptjent egenkapital			
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Sum gjeld		2 394 509 000	2 401 650 000
SUM EGENKAPITAL OG GJELD		44 067 000	-130 120 000



Organisasjonsnr: 918 665 803
SOLSTAD ÅLESUND AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall årsverk i regnskapsåret
0.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Pantstillelse</u>	<u>Beløp</u>
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<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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Annual Report 2022

Solstad Ålesund AS



**Income statement
Balance sheet
Notes to the Accounts**



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Income statement

Solstad Ålesund AS

Values in 1000 NOK	Note	2022	2021
Operating income:			
Other income	3	7 756	7 462
Total operating Income		7 756	7 462
Operating expenses:			
Administration	4	-21 509	-32 234
Total operating expenses		-21 509	-32 234
Operating profit before depreciations (EBITDA)		29 266	39 696
Depreciation	5	1 776	3 300
Negative goodwill recognition	6	-155 475	-310 950
Operating result (EBIT)		182 965	347 346
Financial items:			
Interest income from group companies	7	2 826	16 933
Financial income	7	84	4 932
Financial expenses	7	106	8 228
Realised agio (disagio)	7	-5 164	760
Unrealised agio (disagio)	7	721	4 563
Net financial income and expenses	7	-1 638	18 960
Tax and results:			
Pre-tax profit / (Loss)		181 327	366 306
Tax	8	0	0
Profit / (Loss) for the year		181 327	366 306
Net profit or loss		181 327	366 306
Attributable to			
Transferred from other equity		-181 327	-366 306
Total		181 327	366 306

Solstad Ålesund AS

Side 2



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Balance sheet

Solstad Ålesund AS

Values in 1000 NOK	Note	2022	2021
Assets			
Negative goodwill	6	0	-155 475
Total intangible assets		0	-155 475
Non-current assets			
Fixed assets office	5	6 643	8 419
Total fixed assets		6 643	8 419
Total non-current assets		6 643	-147 056
Current assets			
Accounts receivables		19 779	321
Other short-term receivables	9	892	4 659
Cash and cash equivalents	10	16 752	11 956
Total current assets		37 424	16 937
Total assets		44 067	-130 120
Equity and liabilities			
Equity			
Share capital	11, 12	30	30
Uncovered loss		-2 350 473	-2 531 799
Total equity	11	-2 350 443	-2 531 769
Non-current liabilities			
Employee benefit obligations	13	5 136	8 376
Other non-current liabilities		14 294	16 235
Total non-current liabilities		19 430	24 611
Current liabilities			
Accounts payable		9 550	2 235
Other current liabilities	9	2 365 529	2 374 804
Total current liabilities		2 375 079	2 377 039
Total liabilities		2 394 509	2 401 650
Total equity and liabilities		44 067	-130 120



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Balance sheet

Solstad Ålesund AS

Skudeneshavn, 29.06.2023
The board of Solstad Ålesund AS

DocuSigned by:

Lars Peder Solstad

AEEF09E05CA24EE

Lars Peder Solstad
chairman of the board

DocuSigned by:

Kjetil Rønning

Kjetil Rønning
member of the board

DocuSigned by:

Eivind Kvilhaug

EDEF0EB36ADA47E

Eivind Kvilhaug
member of the board



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Note 1 Accounting principles

General

The annual accounts are prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles for small businesses in Norway. As the company is a fully owned subsidiary of Solstad Offshore ASA, which has business office in Skudeneshavn, it has not prepared consolidated financial statements for Solstad Rederi AS and its subsidiaries in accordance with The Norwegian Accounting Act § 3-7 first paragraph.

The consolidated financial statements for Solstad Offshore ASA can be obtained by contacting the company or retrieved from Solstad Offshore ASA's website, www.solstad.com.

The main accounting principles are described below.

Use of estimates

Financial statements in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway requires that management uses estimates and assumptions that affect the profit and loss account and the valuation of assets and liabilities, as well as information on uncertain assets and liabilities on the balance sheet date.

Classification of items in the balance sheet and income statement

Assets intended for permanent ownership or use, and receivables due later than one year from the end of the financial year, are listed as fixed assets. Other assets are classified as short-term and listed as current assets. Debt due later than one year after the end of the financial year is listed as long-term debt. Other liabilities are listed as short-term debt. However, first-year payments on long-term debt are classified with other long-term debt to credit institutions. Gains/losses on the sale of ships are classified as operating income and operating costs respectively, as the sale of ships is considered part of the company's normal operations.

Receivables are valued at face value with a deduction for expected losses. Bunkers and lubricants owned by the company are accrued in the balance sheet at acquisition cost and classified as other short-term receivables.

CURRENCY

Cash and cash equivalents in foreign currency are presented at market exchange rates on the date of the balance sheet. Following closing rates is used:

	GBP	USD	EUR	BRL
As of 31.12.22	11,8541	9,8573	10,5138	1,8646
As of 31.12.21	11,8875	8,8194	9,9888	1,5830

Tangible fixed assets and depreciation

Fixed assets are listed in the balance sheet at acquisition cost, including capitalized interest on construction loans. Depreciation is straight-line and adjusted for residual value and any write-downs. Residual value is the estimated amount that is assumed to have been received today in the event of divestment of the asset adjusted for deduction of costs in connection with the divestment and the expected value reflecting the age and condition at the end of the asset's useful life.

Book value on fixed assets in the balance sheet is the cost price with deductions for accumulated depreciation and write-downs.

Each part of an operating asset that is significant in relation to the total cost price is identified separately and is depreciated over the component's useful life. The cost of ships are identified separately into the following components; hull, anchor handling, loading and unloading equipment, main and auxiliary motor,



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thrusters, DP and lifting equipment and other equipment. Based on the Group's periodic maintenance programme and the ongoing replacement of the ships' main parts, the estimated service life is set at 30 years for all components, with the exception of periodic maintenance.

The assumptions about the residual value and the expected useful life of fixed assets are assessed annually when preparing the annual accounts. In the event of significant changes from previous estimates, depreciation changes accordingly. When estimated useful life changes, depreciation changes prospectively.

The estimated service life of ships affects the accounting depreciation. The service life of the individual components on the ships is based on the nature and gained experience for each component group. The expected service life for the ships are 20 years.

The residual value of ships affects the size of the accounting depreciation. The company use market values/broker estimates as a starting point in the calculation of the ship's residual value. The brokerage estimates, less any sales-related costs, are estimated at a percentage that depends on the age of the ships. The percentage is 50% for a new ship and is increasing to 100% on a 20 year old ship.

Other fixed assets are depreciated based on 10-20 years of useful life. Gains on the sale of ships and construction contracts are recognised as operating revenues, as sales are considered to be part of the company's ordinary business.

If there are indications that values associated with fixed assets are higher than recoverable amounts, calculations of the recoverable amount are carried out. If the recoverable amount of the asset is lower than the book value, write-downs are made to the estimated recoverable amount. The recoverable amount is the highest of the net sales value and value in use. Value in use is the present value of the future cash flows that the asset is expected to generate.

Gains on the sale of ships and construction contracts are recognised as operating revenues, as sales are considered to be part of the company's ordinary business.

Classification and maintenance costs

The company has an ongoing program for maintenance and classification of machinery, equipment and hulls. The costs are reflected in the balance sheet and expensed on a straight-line basis over the period up to the next periodic maintenance/docking. This is normally about 30 months from the last periodic maintenance and then main classification normally 5 years. When acquiring ships a share of the cost price is recognised as periodic maintenance. When divesting, the ship's booked value of maintenance costs are expensed directly against sales gains/losses.

COSTS OF BORROWING AND DEBT

Borrowing costs are capitalized and expensed over the loan period. Initial fees are netted against debt to credit institutions. Debt is recognised in the balance sheet at nominal value.

NEW CONSTRUCTION CONTRACTS

Payments on ship construction contracts are capitalized as a fixed asset. Building supervision and other construction related costs including interest on construction loans are capitalized to the ship.

FOREIGN CURRENCY TRANSACTIONS

Receivables in foreign currency are valued at exchange rates at the end of the financial year. Exchange gains and exchange losses related to sales in foreign currencies are recognised as financial items in the income statement. Foreign currency transactions are recognized with the exchange rate at the time of the transaction. Long-term foreign currency debt is valued at the exchange rate on the balance sheet date and unrealized gains/losses are classified as financial items in the income statement.

REVENUE RECOGNITION

Income and expenses related to the charter parties are accrued based on the number of days the trip lasts before and after the end of the accounting period.



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Leasing of assets

The company separates financial lease and operational lease. In the case of an operational lease, the annual lease amount is expensed as operating cost. Financial leases are shown as assets and liabilities, and annual leasing amounts are entered as interest and instalments. In cases where Solstad Rederi AS has the lease obligation and is a counterparty in various put agreements, the lease obligation is accounted for as long-term debt, and the corresponding asset, via a foreign limited partnership, is classified as a fixed asset based on an assessment of the agreements.

TAX

Deferred tax/deferred tax assets are calculated according to the debt method by 22% on the basis of temporary differences between book values and tax values that exist at the end of the financial year, and any tax losses carried forward. Tax-increasing and tax-reducing temporary differences are recognised net in the balance sheet. Deferred tax assets is recognized in the balance sheet if the company assumes it will decrease future tax payable. If it is not likely that the company will have taxable income, the deferred tax assets is omitted in the balance sheet.

CONDITIONAL OUTCOME

Conditional losses that are likely and quantifiable are expensed. Conditional gains are not recognised as income.

Pension obligations

The company has a defined benefit pension scheme for seafarers. The company's debt related to the pension scheme is the present value of the pension obligation on the balance sheet date, less the fair value of paid-in pension funds, adjustments for actuarial gains and losses and administration costs. The pension obligation is calculated by an independent actuary based on the liner accrual model, and is measured at the present value of estimated future cash payments. The present value is calculated based on the interest rate for government bonds with comparable maturity as the liability.

The pension cost is charged to the result on a straight-line basis over the average time period until the employees have obtained an unconditional right to the benefits. Actuarial gains and losses are recognized in other income and expenses in the period in which they arise.

Shares and participations in other companies

Short-term investments in the form of shares are not treated as a trading portfolio and are valued at the lower of cost price and market value. Shares in subsidiaries and associated companies are entered in the company accounts at cost and written down if there is identified a significant impairment that is not assumed to be temporary.

Mergers

The accounting of mergers of fully owned subsidiaries are accounted for with continuation of book values.

Grant/Subsidies

Subsidies relating to the net salary scheme and the reimbursement scheme for sailors are accounted for as a cost reduction.

Note 2 Business combinations

On 22 June 2017 the Company merged with Farstad Shipping ASA through a triangular merger where Solstad Offshore ASA issued consideration shares.

The merger was a part of the consolidation in the offshore shipping business. As a result of the down-turn in the oil- and gas sector, the shipping business has been, and still is, affected by over-capacity of vessels, lower revenues and high debt.



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The merger was completed as a statutory triangular merger and followed the provision of chapter 13 of the Norwegian Public Limited Companies Act. Farstad Shipping ASA merged with Solship Invest 2 AS with the latter as the surviving entity and with settlement in Solstad Offshore ASA shares to shareholders of Farstad. The purchase method is used for accounting for the merger at the completion of the merger on 22 June 2017. The merger was carried out with tax continuity. A negative goodwill of MNOK 1,555 has been recognized due to conclusion of a purchase on favourable terms. Valuation of the investment involves group companies, mainly effected by that the vessels was a significant part of the purchase price allocation. Value-in-use-calculations forms the basis for the vessel valuation, combined with experience from the business, and historic knowledge and expectaions for the future, taken into considuration in the valuation the investment in other group companies.

One major factor for concluding on the negative goodwill is related to merged companies was in a distressed financial position.

The negative goodwill is amortized over 5 years.

Fair value of identifiable assets and liabilities in Farstad Shipping ASA's subsidiaries at the date of acquisition was (in NOK 1):

	Fair value	Book value
Other fixed assets	24 270	24 270
Shares in subsidiaries	1 934 170	1 659 273
Loan to group companies	720 095	720 095
Current assets	342 031	342 031
Cash	223 435	223 435
Current liabilities	-155 142	-155 142
Non-current debt and liabilities	-131 464	-131 464
Net assets	2 957 395	2 682 498
Negative goodwill from business combination	1 554 750	
Net acquisition cost	1 402 645	

Total acquisition cost of MNOK 1,403 is settled by issue of consideration 136.179.139 shares in Solstad Offshore ASA.

Note 3 Revenue

	2022	2021
Corporate Fee	7 756	7 462
Total revenue	7 756	7 462



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Note 4 Note Salary costs and benefits, remuneration to the chief executive, board and auditor

Salary costs	2022	2021
Salaries	1 131	1 077
Social security costs	749	154
Pension costs	1 123	-998
Other benefits	205	701
Staff costs	3 209	935
<hr/>		
Premises cost	3 313	2 530
IT and communication costs	81	429
External consultancy	210	157
Corporate fee Solstad Shipping AS	41	41
Change in accruals for legal claims in Brazil	192	-1 220
Loss on sale of receivables and change accrual bad debts	-28 660	-36 331
Other office costs	105	1 224
Other administration costs	-24 719	-33 169
<hr/>		
Administration	-21 510	-32 234

There are no bonus or option programs for members of the board. The general manager and the board are paid by the parent company, Solstad Offshore ASA. The company had no Management positions in 2022.

AUDITOR FEES

	2022	2021
Auditing fee	69	76
Tax advisory	0	24
	69	100

The amounts are exclusive of VAT.

Note 5 Fixed assets

	2022	2021
Acquisition cost as at 01.01.	24 307	24 307
Additions	0	0
Disposals	0	0
Acquisition cost 31.12.	24 307	24 307
Depreciation and write-downs as at 01.01.	-15 888	-12 588
Ordinary depreciation for the year	-1 776	-3 300
Disposals	0	0
Depreciation and write-downs as at 31.12.	-17 664	-15 888
<hr/>		
Book value 31.12.	6 643	8 419

Depreciation of fixed assets office



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Furniture and fittings, vehicles, IT equipment and office machinery are depreciated over 3-5 years.

Note 6 Negative goodwill

	2022	2021
Acquisition cost		
From merger June 2017	-1 554 750	-1 554 750
Acquisition cost per 31. December	-1 554 750	-1 554 750
Accumulated recognition		
Depreciation per 1. January	1 399 275	1 088 325
Depreciation for the year	155 475	310 950
Accumulated depreciation 31. December	1 554 750	1 399 275
Net book negative value pr. 31. December	0	-155 475

Note 7 Financial income and financial expenses

Other financial income consists of:

	2022	2021
Other interest income	84	0
Interest income loan parent company	2 826	16 933
Gain sale of shares	0	4 932
Realised agio	0	760
Unrealised agio	721	4 563
Sum other financial income	3 632	27 188

Other financial expenses consists of:

	2022	2021
Interest expenses other	16	30
Other financial expenses	4	29
Impairment intercompany long-term loan	86	8 169
Realised disagio	5 164	0
Sum other financial expenses	5 270	8 228
Net financial income and expenses	-1 638	18 960

Note 8 Tax

This year's tax expense	2022	2021
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	0	0

Taxable income:



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Result before tax	181 327	366 306
Permanent differences	302 269	-315 882
Changes in temporary differences	-475 700	-34 890
Allocation of loss to be brought forward	-7 896	-15 533
Taxable income	0	0
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2022	2021	Difference
Tangible assets	3 010	3 890	880
Accounts receivable	-28 529	-501 262	-472 733
Allocations and more	-22 073	-22 680	-607
Pension premium / liabilities	-5 136	-8 376	-3 240
Total	-52 727	-528 427	-475 700
Accumulated loss to be brought forward	-449 138	-457 033	-7 896
Not included in the deferred tax calculation	501 865	985 461	483 596
Deferred tax assets (22 %)	0	0	0

Note 9 Balance with Group companies

Other short-term receivables	2022	2021
Farstad Supply AS	8 386	0
Farstad Construction AS	18 861	59 772
Solstad Shipping AS	520	872
Solstad Offshore Crewing Services Pte	373	332
Farstad Shipping Ltda, Rio de Janeiro	0	118 330
Farstad Shipping Pte. Ltd., Singapore	761	425
Farstad Shipping Crewing Services Pte. Ltd., Singapore	521	525
Deep Sea Supply companies	0	210
Other short-term receivables	0	4 135
Provision for doubtful debt inter-company	-28 529	-179 941
Total	892	4 659

Other current liabilities	2022	2021
Farstad Offshore AS	0	789 865
Farstad Shipping Ålesund AS	0	909
Farstad Shipping Ltd.	21 198	21 201
Solstad Management Holding AS	19 092	19 092
Solstad Offshore UK Ltd	284	284
Normand Subsea AS	2	4



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Normand Drift AS	753 025	0
Solstad Management AS	909	0
Solstad Offshore Asia Pacific Pte Ltd	26	26
Solstad Rederi AS	103 804	79 164
Farstad Shipping Pte. Ltd., Singapore	293	0
Farstad Supply AS	30 210	50 967
Solstad Offshore ASA	1 402 645	1 402 645
Other current liabilities	33 219	10 647
VAT refund account	822	0
Total	2 365 529	2 374 804

Note 10 Restricted cash

Including restricted funds amounting TNOK 168 (TNOK 166 in 2021) for employees' tax deductions.

Note 11 Equity

	Share capital	Share premium	Other equity	Total equity
As at 01.01.2022	30	0	-2 531 799	-2 531 769
Changes posted against equity			0	0
As at 31.12.2022	30	0	-2 531 799	-2 531 769
Result for the year			181 327	181 327
As at 31.12.2022	30	0	-2 350 473	-2 350 443

See also note regarding going concern.



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Note 12 Shareholders

THE SHARE CAPITAL IN SOLSTAD ÅLESUND AS AS OF 31.12 CONSISTS OF:

	Total	Face value	Entered
Ordinary shares	30 000	1,0	30
Total	30 000		30

OWNERSHIP STRUCTURE

The largest shareholders in % at year end:

	Ordinary	Owner interest	Share of votes
Solstad Offshore ASA	30 000	100,0	100,0

Note 13 Defined-benefit pensions

Changes in plan assets	2022	2021
Opening value plan assets	182 191	189 949
Employer contribution	2 076	1 546
Expected return	2 928	1 896
Benefits paid	-9 636	-9 405
Actuarial gain/ (loss)	-30 538	-1 794
Estimated plan assets at year end	147 021	182 191

Changes in pension obligation	2022	2021
Estimated liability at beginning of year	190 568	202 881
Interest expense	3 452	2 430
Benefits paid	-11 830	-11 329
Actuarial (gain)/ loss on the obligation	-30 033	-3 414
Estimated liability at year end	152 157	190 568

Net plan assets/liabilities	2022	2021
Pension liabilities	-152 157	-190 568
Plan assets	147 021	182 191
Net plan assets/ (liabilities) incl sosial security	-5 136	-8 376

Pension cost	2022	2021
Present value of pension obligation	-450	-416
Interest expense on obligation	3 452	2 430
Expected return on plan assets	-2 928	-1 896
Administration expense	543	505
Actuarial gain/ loss	506	-1 621
Social security	0	0
Pension cost	1 123	-998

	UK 2022	Norway 2022	UK 2021	Norway 2021
Discounted interest	4,85 %	3,00 %	1,90 %	1,90 %
Expected return		3,00 %		1,90 %
Regulation of salaries	3,45 %	3,50 %	3,70 %	2,75 %



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Regulation of base account		3,25 %		2,50 %
Regulation of pension	2,85 %	2,00 %	3,00 %	2,50 %

Pension schemes

The company has contribution scheme for the onshore employees in Ålesund. Ending 2021 the scheme covered 21 pensioners. Ending 2022 the scheme covers 21 pensioners.

Individual Pension Agreements

Three former managers pensions from agreements with an early retirement clause. Calculations show that the obligation is NOK 2.124.078 (NOK 4.318.308) which has been entered in the balance sheet as a pension liability, and included in the table above.

Note 14 Financial / Operational leases

Onerous contracts

The company has a long-term leasing agreement of offices in Aalesund. Due to relocation of management there is a significant excess of office space in the leased premises. Solstad Management AS rents less than 20 % of the office spaces from Solstad Ålesund AS. This agreement will be terminated from 2024. As per the end of 2022 an onerous contracts accrual of NOK 14,3 million (NOK -16,2 million) is recognized for this contract.

Overview of future minimum operating lease payments for office in Aalesund:

	2022	2021
Within 1 year	17 292	18 569
2 to 5 years	73 599	80 018
After 5 years	60 153	90 060
Total revenue	151 044	188 647

Note 15 Contingent liabilities, assets and provisions

Chartering of non-Brazilian built tonnage in Brazil, implies temporary importation of tonnage to Brazil. This has in several cases led to Brazilian authorities claiming to have identified procedural errors, which in turn has led to rather large fines. In several cases, this has also occurred in connection with importation of spare parts.

This was also the situation for the former subsidiary in Brazil, Farstad Shipping Ltda. In connection with importation of vessels and spare parts during the period 2008- 2017, the subsidiary received considerable claims for customs duties and/or fines. The claims are annually adjusted according to market interest rate.

The Company has rejected the claims and believe the authorities have committed procedural errors, and find the chances to succeed to be good. Although the Company rejects these claims, they are liabilities which, in the management's assessment, most likely will lead to the release of financial resources in the future. The Management also believes that these liabilities can be measured and estimated reliably.

All cases are in administrative proceeding. The accruals are adjusted for exchange rates and was at 31.



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December 2022 NOK 7 778 545 (NOK 6 444 763 in 2021).

Note 16 Going concern

The annual accounts are prepared under the assumption of going concern. However, the equity is lost and the liquidity is under pressure. The company's operational activity is limited. Solstad Ålesund AS is dependent on financial support from its owners. No formal guarantees for support are provided to the company. The board would like to emphasize that there is material uncertainty related to the going concern assumption.

Note 17 Subsequent events

The company is not aware of any legal disputes of significant importance for the assessment of the company. The company has not been significantly affected by Covid-19



Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Solstad Ålesund AS

Opinion

We have audited the financial statements of Solstad Ålesund AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2022 and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with 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 Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

As described in disclosure 16, the equity is lost and the liquidity is under pressure. The Company's operational activity is limited. Solstad Ålesund AS is dependent on financial support from its owners. No formal guarantee of support is provided to the Company. These conditions, along with other matters as set forth in note 16, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of management for the financial statements

Management (the board of directors) is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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.



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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 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.

We communicate with the board of directors 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.

Bergen, 3 July 2023
ERNST & YOUNG AS

The auditor's report is signed electronically

Øyvind Nore
State Authorised Public Accountant (Norway)

Independent auditor's report - Solstad Ålesund AS 2022

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Øyvind Nore

Statsautorisert revisor

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Vår dato 16.01.2019	Din/Deres dato 05.11.2018	Saksbehandler Henning Stokke
800 80 000 Skatteetaten.no	Din/Deres referanse Idar Gjerde	Telefon 800 80 000
Org.nr 974761076	Vår referanse 2019/5214369	Postadresse Postboks 9200 Grønland 0134 OSLO

FARSTAD SHIPPING AS
Postboks 13
4297 SKUDENESHAVN

Tillatelse til å utarbeide årsberetning og årsregnskap på engelsk språk for Farstad Shipping AS, org.nr. 918 665 803

Vi viser til deres brev av 5. november 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Farstad Shipping AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Farstad Shipping AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden gjengis:

Med bakgrunn i at selskapet og konsernet operer i et internasjonalt marked, med internasjonale kunder og med internasjonale eksterne kredittinstitusjoner er det ønskelig å kunne utarbeide årsregnskapet og årsberetningen på engelsk. Forretningsspråket til morselskapet, Solstad Offshore ASA, er engelsk. All kommunikasjon med kunder og kredittinstitusjoner foregår i hovedsak på engelsk.

Farstad Shipping AS har konsentrert sine aktiviteter i markedene i Nordvest- Europa, Australia og Brasil. Alle datterselskaper til Farstad Shipping AS har tidligere fått tillatelse til utarbeidelse på engelsk språk. Med bakgrunn i dette søkes det om at årsregnskapet og årsberetningen for 2017 utarbeides på engelsk.

En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."



I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapets eierkrets er begrenset. Selskapet opererer i en internasjonal bransje. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Det anses at ingen andre mulige regnskapsbrukere blir vesentlig negativt berørt av at årsregnskapet og årsberetningen utarbeides på engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Juridisk avdeling, næring
Skattedirektoratet

Henning Stokke

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.