



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 922 490 066  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: WESTFAL-LARSEN & CO AS  
Forretningsadresse: Fabrikkgaten 6  
5059 BERGEN

### Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Rolf Westfal-Larsen Jr.  
Dato for fastsettelse av årsregnskapet: 21.04.2021

### Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert  
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

*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, 22.07.2022



## Resultatregnskap

Beløp i: USD	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt		47 754 000	38 696 000
Annen driftsinntekt		-8 024 000	-2 599 000
<b>Sum inntekter</b>		<b>39 729 000</b>	<b>36 097 000</b>
<b>Kostnader</b>			
Lønnskostnad		2 264 000	3 158 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		13 220 000	13 792 000
Annen driftskostnad		16 885 000	16 827 000
<b>Sum kostnader</b>		<b>32 370 000</b>	<b>33 777 000</b>
<b>Driftsresultat</b>		<b>7 359 000</b>	<b>2 320 000</b>
<b>Finansinntekter og finanskostnader</b>			
<b>Sum finansinntekter</b>		<b>291 000</b>	<b>431 000</b>
Annen finanskostnad		-21 000	330 000
<b>Sum finanskostnader</b>		<b>5 110 000</b>	<b>6 682 000</b>
<b>Netto finans</b>		<b>-4 624 000</b>	<b>-5 921 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>2 756 000</b>	<b>-3 932 000</b>
Skattekostnad på ordinært resultat			1 424 000
<b>Ordinært resultat etter skattekostnad</b>		<b>2 756 000</b>	<b>-5 356 000</b>
<b>Årsresultat</b>		<b>2 735 000</b>	<b>-3 602 000</b>
<b>Totalresultat</b>		<b>2 735 000</b>	<b>-3 602 000</b>



### Balanse

Beløp i: USD	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Sum immaterielle eiendeler		0	0
<b>Varige driftsmidler</b>			
Skip, rigger, fly og lignende		202 850 000	213 072 000
Sum varige driftsmidler		202 850 000	213 072 000
<b>Finansielle anleggsmidler</b>			
Sum finansielle anleggsmidler		0	0
Sum anleggsmidler		202 850 000	213 072 000
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer		1 184 000	1 233 000
Sum varer		0	0
<b>Fordringer</b>			
Andre fordringer		13 305 000	11 854 000
Sum fordringer		0	0
<b>Investeringer</b>			
Sum investeringer		0	0
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende		8 707 000	7 036 000
Sum bankinnskudd, kontanter og lignende		8 707 000	7 036 000
Sum omløpsmidler		23 196 000	20 124 000
<b>SUM EIENDELER</b>		<b>226 046 000</b>	<b>233 196 000</b>

### BALANSE - EGENKAPITAL OG GJELD



## Balanse

Beløp i: USD	Note	2020	2019
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	2	58 727 000	58 727 000
Annen innskutt egenkapital		16 330 000	16 330 000
<b>Sum innskutt egenkapital</b>		<b>75 057 000</b>	<b>75 057 000</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	2	48 848 000	48 272 000
<b>Sum opptjent egenkapital</b>		<b>48 848 000</b>	<b>48 272 000</b>
<b>Sum egenkapital</b>		<b>123 905 000</b>	<b>123 328 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Sum avsetninger for forpliktelser</b>		<b>0</b>	<b>0</b>
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner		82 914 000	94 020 000
Langsiktig konserngjeld		1 360 000	1 318 000
<b>Sum annen langsiktig gjeld</b>		<b>84 274 000</b>	<b>95 337 000</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner		11 105 000	11 105 000
Betalbar skatt		49 000	48 000
Annen kortsiktig gjeld		6 713 000	3 377 000
<b>Sum kortsiktig gjeld</b>		<b>17 867 000</b>	<b>14 530 000</b>
<b>Sum gjeld</b>		<b>102 141 000</b>	<b>109 868 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>226 046 000</b>	<b>233 196 000</b>



Statsautoriserte revisorer  
Ernst & Young AS

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Medlemmer av Den norske revisorforening

## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Westfal- Larsen & Co AS

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Westfal- Larsen & Co AS, which comprise the balance sheet as at 31 December 2020, the income statement and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2020 and its financial performance and cash flows 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 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 Company 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.

#### Other information

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer (management) are responsible for the other information. Our opinion on the audit of the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of management for the financial statements

Management 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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.

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.

## Report on other legal and regulatory requirements

### Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.



### Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Bergen, 21 April 2021  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Eirik Moe  
State Authorised Public Accountant (Norway)

Penneo DokumentID: 72ZKG-5QXXA-W8F3W-C56X1-FZET5-IZEEX



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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

## Eirik Moe

Oppdragsansvarlig partner

På vegne av: EY

Serienummer: 9578-5994-4-673444

IP: 88.89.xxx.xxx

2021-04-21 09:05:13Z



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**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Hvide, Johan Gustav	BANKID	2021-04-21 14:00 GMT+2
Westfal-Larsen, Rolf	BANKID_MOBILE	2021-04-21 14:00 GMT+2
Pettersen, Bernt Jacob Schwings	BANKID_MOBILE	2021-04-21 16:51 GMT+2
Westfal-Larsen, Rolf	BANKID_MOBILE	2021-04-21 17:07 GMT+2
Muller, Bernt Ulrich A	BANKID_MOBILE	2021-04-21 17:10 GMT+2

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**Annual report 2020**

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**Westfal-Larsen & Co AS**  
**2020**

Board of directors' report

Annual accounts

- Profit and loss account 01.01.-31.12.
- Balance sheet
- Cash flow statement
- Notes

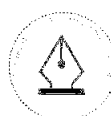
Auditors' report

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Westfal-Larsen & Co AS

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## Annual Report of the Board of Directors 2020

The core business of Westfal-Larsen & Co. AS is ownership of vessels. Technical operation of the ships is entrusted to Westfal-Larsen Management AS, while commercial operation is in the responsibility of Westchart AS.

The company's operations are conducted within the international environmental requirements that apply to this kind of maritime activity. Ownership of vessels involves a risk of pollution of the external environment. American legislators have introduced stringent rules that may entail unlimited liability for oil spills in US waters. By using recognized quality assurance principles the company is seeking, via the services procured from Westfal-Larsen Management AS, to limit this risk by means of:

- Safe operating routines
- Adequate current maintenance
- Adequate insurance coverage
- Ensuring that operations are conducted by qualified personnel.

One of the company's objectives is to reduce financial risk within its area of activity, which is mainly based in USD. The current strategy includes the use of financial hedging instruments that reduce the variation of exposure to costs in currencies other than USD, and interest-rate swap agreements against variations in interest-rate trends related to long-term debt.

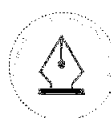
No impairment of ship assets has been performed for 2020, as the company's future expected earnings justify book values.

The Profit and Loss account for 2020 shows an Operating Profit of USD 7.4 million (against an Operating Profit of USD 2.3 million in 2019), and an annual gain after net financial expenses, currency losses and taxes of USD 2.7 million (against an annual loss after tax of USD 5.3 million in 2019). The Board of Directors proposes that the gain for 2020 to be posted to Other equity.

It is the opinion of the Board of Directors that the company's financial position is satisfactory. The company has a book equity ratio of 54.8%. The company's liquidity position is good, and had by year-end 2020 liquid funds corresponding to USD 8.7 million. The company had a positive cash flow from operational activities of USD 16.1 million, a negative cash flow from investment activities of USD 3.0 million and a negative cash flow from financing activities of USD 11.6 million.

It is the opinion of the Board of Directors that the presented profit & loss account and balance sheet with accompanying notes provide adequate information about the year's operations and status at the end of 2020. In conformity with the rules of the Accounting Act, it is hereby certified that the accounts are presented on the going-concern assumption.

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At the time of writing, there is still a high degree of uncertainty related to the impact of the COVID-19 virus outbreak. However, for the time being we do not expect that this will have a substantial negative impact on the company as four of the vessels are fixed on time charters, whereas the remain two which are employed in the spot market has generated satisfactory earnings. If the situation notably prevails over an extended amount of time this might eventually affect earnings negatively for the two vessels employed on spot terms. No other circumstances have arisen after the end of the financial year over and above those described in the foregoing that are of significance for assessment of the company and that are not stated in the annual accounts with the accompanying notes.

Westfal-Larsen & Co. AS has no employees. Westfal-Larsen Management AS and Westfal-Larsen Group Resources AS provides administrative services to the company. The company is domiciled in Bergen, Norway, and is subject to the Norwegian tonnage taxation scheme.

Bergen, 21.04.2021  
Board of Westfal-Larsen & Co. AS

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Bernt Jacob Pettersen  
Chairman of the Board

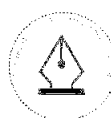
\_\_\_\_\_  
Johan Gustav Hvide  
Board member

\_\_\_\_\_  
Rolf Westfal-Larsen  
Board member

\_\_\_\_\_  
Ulrich Müller  
Board member

\_\_\_\_\_  
Rolf Westfal-Larsen jr  
CEO

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## Profit and loss account 01.01-31.12

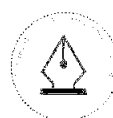
### Westfal-Larsen & Co AS

USD 1000

	Note	2020	2019
Cargo revenue	10, 12	47 754	38 696
Voyage-related costs	10	8 024	2 599
<b>Voyage result on T/C basis</b>		<b>39 729</b>	<b>36 097</b>
Administration costs	2	2 264	3 158
Ordinary depreciation		13 220	13 792
Operating costs		16 885	16 827
<b>Total operating costs</b>		<b>32 370</b>	<b>33 777</b>
<b>Operating profit (loss)</b>		<b>7 359</b>	<b>2 320</b>
Financial income (excl. currency gain)		291	431
Financial costs (excl. currency losses)	5	4 915	6 352
<b>Net financial incomes (costs)</b>	5	<b>-4 624</b>	<b>-5 921</b>
Profit/loss before currency gains/loss and taxes		2 735	-3 602
Realised currency gains/(losses)		-87	-330
Unrealised currency gains (losses)		108	0
Net currency gains (losses)		21	-330
<b>Profit (loss) before taxes</b>		<b>2 756</b>	<b>-3 932</b>
Taxes	6	0	1 424
<b>Profit (loss) for the year</b>		<b>2 756</b>	<b>-5 356</b>

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Westfal-Larsen & Co AS



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**Balance sheet as of December 31**

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**Westfal-Larsen & Co AS**

USD 1000

	Note	2020	2019
<b>ASSETS</b>			
Vessels	3	<u>202 850</u>	<u>213 072</u>
<b>Total tangible fixed assets</b>		<u><b>202 850</b></u>	<u><b>213 072</b></u>
<b>Total fixed assets</b>		<u><b>202 850</b></u>	<u><b>213 072</b></u>
Stocks on board vessels		1 184	1 233
Other receivables	4, 11	13 305	11 854
Bank deposits	7	<u>8 707</u>	<u>7 036</u>
<b>Total current assets</b>		<u><b>23 196</b></u>	<u><b>20 124</b></u>
<b>Total assets</b>		<u><b>226 046</b></u>	<u><b>233 196</b></u>

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Westfal-Larsen & Co AS

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## Balance sheet as of December 31

### Westfal-Larsen & Co AS

USD 1000

	Note	2020	2019
<b>EQUITY AND LIABILITIES</b>			
Share capital	8	58 727	58 727
Other paid-in capital	8	16 330	16 330
<b>Total paid-in capital</b>	<b>8</b>	<b>75 057</b>	<b>75 057</b>
Other equity	8	48 848	48 272
<b>Total retained earnings</b>		<b>48 848</b>	<b>48 272</b>
<b>Total equity</b>		<b>123 904</b>	<b>123 328</b>
Debt to credit institutions	9	82 914	94 020
Long-term liability group company		1 360	1 318
<b>Total long-term liabilities</b>		<b>84 274</b>	<b>95 337</b>
Debt to credit institutions	9	11 105	11 105
Due taxes		49	48
Other short-term liabilities	4	6 713	3 377
<b>Total current liabilities</b>		<b>17 867</b>	<b>14 530</b>
<b>Total liabilities</b>		<b>102 141</b>	<b>109 868</b>
<b>Total equity and liabilities</b>		<b>226 046</b>	<b>233 196</b>

Bergen, 21.04.2021  
Board of Westfal-Larsen & Co AS

Bernt Jacob Schwings Pettersen  
Chairman

Rolf Westfal-Larsen Sr  
Board member

Johan Gustav Hvide  
Board member

Ulrich Müller  
Board member

Rolf Westfal-Larsen Jr  
CEO

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Westfal-Larsen & Co AS



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## Cash flow statement 01.01 -31.12

### Westfal-Larsen & Co AS

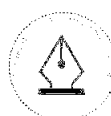
USD 1000

	2020	2019
<b>Cash flow from operational activities</b>		
Profit/(loss) for the year before tax	2 756	-3 932
Paid taxes in the period	-48	-48
Ordinary depreciation	11 991	12 869
Depreciation of capitalised docking costs	1 229	923
Received interest capitalized	0	-289
Reduction (increase) in current assets	-1 693	460
Increase (reduction) in short-term liabilities	1 730	-1 237
Changes in other accrual accounting items	90	394
<b>Net cash flow from operational activities</b>	<b>16 056</b>	<b>9 140</b>
<b>Cash flow from investment activities</b>		
Investments in vessel and other fixed items	-2 997	-12 477
<b>Net cash flow investment activities</b>	<b>-2 997</b>	<b>-12 477</b>
<b>Cash flow from financing activities</b>		
Draw-down of long-term liabilities	0	66 300
Payments for amortisation of liabilities	-11 105	-68 412
Loan to group company	0	-2 000
Group contribution received	-283	2 500
<b>Net cash flow from financing activities</b>	<b>-11 388</b>	<b>-1 612</b>
<b>Net change in cash and cash equivalents</b>	<b>1 446</b>	<b>-4 949</b>
Cash and cash equivalents at 01.01	7 036	11 985
<b>Cash and cash equivalents at 31.12*</b>	<b>8 707</b>	<b>7 036</b>

\*) Cash and cash equivalents include cash, bank deposits and securities

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Westfal-Larsen & Co AS



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**Regnskapsprinsipper WLCO.**

**Note - 1 Accounting Policies**

**USD 1000**

The annual accounts have been presented in USD and in conformity with the Accounting Act and generally accepted accounting principles. The company's consolidated accounts are part of the consolidated accounts for Skibsaktieselskapet Navigation Co. Ltd., Bergen.

**Income**

Gross cargo revenues plus income from time charters and bareboat charters are taken to income when they are earned and classified as cargo revenues in the profit and loss account. Voyage-related costs related to cargo revenues are presented on a separate line in the profit and loss account as an income reduction under operating income. For transitional voyages, gross freight revenues and voyage-related costs accrue evenly over the voyage period.

**Classification and valuation of balance sheet items**

Current assets and short-term liabilities include items that fall due for payment within one year after the date of acquisition. Other items are classified as fixed assets or long-term liabilities.

**Tangible fixed assets**

Tangible fixed assets are recognised and depreciated over the expected life of the asset. For docking costs, a recognition model is employed that in short means capitalising the costs of docking at the time of docking and depreciating these over the period until the next docking. In the event of material falls in value that are not transitory, a write-down to fair value will be undertaken. Fair value is defined as sale value or present value of future earnings, whichever is the higher. Write-downs are reversed to the extent that the basis for the write-down is no longer present.

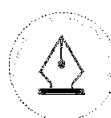
**Financial fixed assets / Subsidiaries**

Subsidiaries and associated companies are valued by the cost method in the annual accounts and are written down to fair value if the fall in value is not expected to be transitory.

**Financial instruments**

Forward contracts are used to hedge future cash flows in foreign currency. Differences between forward rates and the rate on the balance sheet date are handled in accordance with the principles for valuation of items in foreign currency, but unrealised gains are not posted to income. Interest-rate instruments (interest-rate swaps) are accounted through amortisation over

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the contract period and the result classified as an adjustment of financial items.

#### **Current assets**

Other receivables are posted in the balance sheet at fair value and face value, whichever is the lower. Market-based securities are valued at market value. Cost price for securities in foreign currency is set at original cost in foreign currency valued at the foreign currency rate at the end of the financial year, when the investments are equated with liquidity placements. Stocks on board vessels are valued at original cost.

#### **Foreign currency**

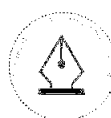
Transactions in foreign currency are converted at the rate on the transaction date. All money items in foreign currency are valued at the rate at the end of the financial year. Exchange rate changes are recognised concurrently in the accounting period as currency gain/currency loss.

#### **Liabilities**

Long-term and short-term liabilities are recognised at nominal figures at the time of establishment. Loans in foreign currency are valued at the rate at the end of the financial year. The first year's amortisation is shown as short-term liabilities.

#### **Taxes**

Taxes in the profit and loss account include both the period's due taxes and the change in deferred tax/tax asset. With effect from 2007, a new system has been introduced for taxation of shipowning entities on certain conditions; these are granted a final tax exemption for their current operating revenues. Untaxed revenue related to the environmental fund will not be taxed until the company withdraws it or leaves the scheme. Irrespective of the company's results, a tonnage tax is imposed. The tonnage tax is classified as an operating cost. Taxes posted in the profit and loss account reflect the period's due taxes, as well as changes in deferred tax/tax assets. Deferred tax is calculated as 22 % of the timing differences between the book and fiscal values, and take into account tax losses that are deferred at the end of the accounting year.



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**Operational leases**

Leases in which the bulk of the risk and yield associated with ownership of the asset is not transferred to the company are classified as operating leases; the hire is then classified as an operating cost and recognised on the straight-line principle over the contract period.

**Cash flow statement**

The cashflow statement has been prepared on the indirect method. Cash and cash equivalents include cash in hand, bank deposits and securities.



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## Note 2 Administration costs

USD 1000

	2020	2019
Westfal-Larsen Management AS	1 621	2 202
Westfal-Larsen Group Resources AS	240	488
Skibsaktieselskapet Navigation Co. Ltd.	311	436
Other administration costs	92	32
<b>Total administration costs</b>	<b>2 264</b>	<b>3 158</b>

## Remuneration 2020 - USD

### CEO

Salary	316 433
Other remuneration	23 092

Total remuneration to the CEO and Board of Directors is paid by Westfal-Larsen Management AS. A share of this cost is included in the remuneration to Westfal-Larsen Management AS.

### The Board of Directors

No director's fees have been paid for the 2020 financial year, nor have any loans been made or security furnished to The Board of Directors.

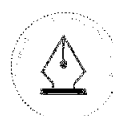
### Employees

The company has no employees and is therefore not obliged to have a service pension under the Act relating to Mandatory Service Pension.

## Auditor fee has been divided as follows - USD:

	2020	2019
Audit fee	17 916	31 453
Other services	5 130	786
<b>Total</b>	<b>23 046</b>	<b>32 239</b>

The figure is exclusive value added tax.



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## Note 3 Tangible fixed assets

USD 1000

Specification of balance-sheet value	Vessels	Docking	Total
Original cost 01.01	330 141	5 237	335 378
Addition	1 736	1 262	2 997
Deletions	0	0	0
Original cost including docking 31.12	331 877	6 499	338 375
Acc ordinary depreciation 31.12	-133 007	-2 518	-135 525
Balance-sheet values 31.12	198 869	3 980	202 849
Depreciation for the year	11 991	1 229	13 220

## Prior year:

USD 1000

Specification of balance-sheet value	Vessels	Docking	Total
Original cost 01.01	321 263	5 067	326 330
Addition	8 878	3 599	12 477
Deletions	0	-3 429	-3 429
Original cost including docking 31.12	330 141	5 237	335 378
Acc ordinary depreciation 31.12	-121 017	-1 289	-122 306
Balance-sheet values 31.12	209 124	3 948	213 072
Depreciation for the year	12 869	923	13 792

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Docking costs are depreciated and classified as depreciation costs.

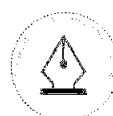
For all tangible fixed assets, straight-line depreciation is employed.

Depreciation of chemical ships is based on a 25-years economic life. Docking costs are depreciated over five years. As of 01.01.2020, scrap value on the respective vessels have been accounted for separately although still included in total book value of vessels. This explains the reduction in depreciation on vessels compared to prior year.

#### Note 4 Receivables - Liabilities

USD 1000

	2020	2019
Short term receivables		
Group contribution	2 180	2 118
Receivables Group	10 105	9 147
Accrued operating income	725	582
Other	295	7
<b>Total</b>	<b>13 305</b>	<b>11 854</b>
Long-term liabilities		
Debt to credit institutions	82 914	94 019
Debt to group company	1 360	1 318
<b>Total long-term liabilities</b>	<b>84 714</b>	<b>95 337</b>
Due date > 5 years	0	0
Short term liabilities		
Group Contribution	2 180	0
Payables Group	899	356
Accrued operating income	2 152	1 760
Other	1 285	1 261
<b>Total</b>	<b>6 713</b>	<b>3 377</b>



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## Note 5 Financial items

USD 1000

	2020	2019
Interest received	291	431
Rate adjustment of securities	108	-69
<b>Total financial income</b>	<b>399</b>	<b>362</b>
Interest paid	4 914	6 319
Other financial cost	1	33
<b>Total financial costs</b>	<b>4 915</b>	<b>6 352</b>
<b>Net financial costs</b>	<b>-4 516</b>	<b>-5 990</b>

### Interest-rate swaps

The company has made an interest-rate swap to the amount of USD 50 mill with maturity in 2024 to secure variations in interest rates on long-term debt. The level of this interest-rate swap is 3.05%, and the Mark to Market value (MtM) at year-end was USD -4,9 mill. The result of the interest rate swaps are classified as financial gain or loss.

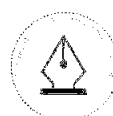
### Forward exchange contracts

The company has entered into forward exchange contracts to hedge future expenses in other currencies than USD.

Contracts as per 31.12.20 due in 2021:

Sales currency	Amount	Fixed rate	Purchase currency	Amount
USD	300.000	9.2760	NOK	1 780 190
USD	300.000	9.2760	NOK	2 780 130

The Mark to Market value (MtM) for the unsettled contracts at year-end was USD 52 325. The result of the forward exchange contracts are classified as financial gain or loss.



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## Note 6 Taxes

USD 1000

The company's taxes are calculated on the basis of the net financial income, including the currency gain/loss in NOK. Taxes calculated in NOK are based on the USD/NOK exchange rate per 31 December.

<i>Taxes on ordinary result are calculated as follows:</i>	<b>2020</b>	<b>2019</b>
Change in deferred tax	0	1 424
<b>Tax on ordinary result</b>	<b>0</b>	<b>1 424</b>

*Due taxes are calculated as follows:*

Net financial income including currency gain (loss)	- 4 038	- 6 770
- Non-deductible interest paid	3 612	5 356
- Non-taxable interest paid/(interest received)	0	0
- Non-taxable currency gain on long-term liabilities	-1 309	865
- Non-taxable currency gain/loss on short-term receivables/liabilities	590	- 124
<b>Change in timing differences</b>	<b>1 145</b>	<b>673</b>
<b>Basis for due taxes</b>	<b>0</b>	<b>0</b>

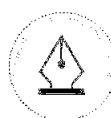
<b>Tonnage tax</b>	<b>49</b>	<b>48</b>
--------------------	-----------	-----------

*Specification of basis for deferred tax/tax assets:*

Losses to be carried forward	-30 913	-28 725
Interest-rate swap	-279	-107
<b>Total timing differences</b>	<b>-31 192</b>	<b>-28 832</b>

22 % deferred tax/(tax assets)	-6 862	-6 343
<b>Included in the balance sheet</b>	<b>0</b>	<b>0</b>

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Deferred tax assets are included in the balance sheet, to the degree to which the company can make use of this against future taxable financial income.

Tonnage tax is classified as operating cost and included in the reported operating costs.

#### Note 7 Escrow bank deposit

The company has no escrowed bank deposits.

#### Note 8 Equity and shareholders information.

USD 1000

The company's share capital is divided between 666 812 shares at face value NOK 457,911075 each. Westfal-Larsen & Co. AS is 100 % owned by Skibsaktieselskapet Navigation Co. Ltd.

	Share capital	Other paid-in capital	Other equity	Total
Owners equity 01.01.	58 727	16 329	48 272	123 328
Group contribution			-2 180	-2 180
Profit for the year			2 756	2 756
Owners equity 31.12.	58 727	16 329	48 848	123 904

#### Note 9 Debt and mortgages

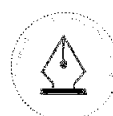
The company's debt to credit institutions is secured by mortgages over vessels. As of 31 December 2020 the debt was USD 94,0 mill. Recognised value of vessels furnished as security for mortgage debt was USD 202,8 mill.

#### Note 10 Segment information

USD 1000

	2020	2019
	Business area Chemicals	Business area Chemicals
Cargo revenues	47 754	38 696
Voyage related costs	8 024	2 599
Total Voyage result on T/C basis	39 729	36 097

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## Note 11 Transactions with associated companies

	2020	2019
Coverage of operating costs for ships		
Westfal-Larsen Management AS	19 834	20 378
<b>Total</b>	<b>19 834</b>	<b>20 378</b>
Coverage of administration costs		
Westfal-Larsen Management AS	1 621	2 202
Skibsaktieselskapet Navigation Co Ltd	311	436
Westfal-Larsen Group Resources AS	240	488
<b>Total</b>	<b>2 172</b>	<b>3 126</b>
Commission fee		
Westchart AS	1 494	1 312
<b>Total</b>	<b>1 494</b>	<b>1 312</b>
Loan to/from company in the same group		
Skibsaktieselskapet Navigation Co Ltd	42	989
<b>Total</b>	<b>42</b>	<b>989</b>

Westfal-Larsen Management AS is an affiliate and is responsible for technical operation of both ships owned by the company. Westfal-Larsen Management AS also performs the company's administrative functions. Westchart is an affiliate that is responsible for commercial operation of both ships owned by the company. The vessels MT Lindanger and MT Leikanger were acquired from Westfal-Larsen & Co AS in April 2016 and June 2016 respectively. Skibsaktieselskapet Navigation Co. Ltd. is the parent company.



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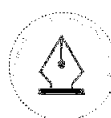
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**Note 12 Events after balance sheet day**

At the time of writing, there is a high degree of uncertainty related to the impact of the COVID-19 virus outbreak. However, for the time being we do not expect that this will have a substantial negative impact on the company as four of the vessels are fixed on time charters, whereas the remain two which are employed in the spot market has generated satisfactory earnings. If the situation notably prevails over an extended amount of time this might eventually affect earnings negatively for the two vessels employed on spot terms.

In 2021, the company has completed a sale-leaseback transaction for one of the vessels in the fleet.

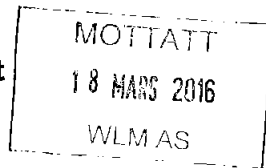


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Skattedirektoratet



Saksbehandler  
Rune Tystad

Deres dato  
14.03.2016

Vår dato  
17.03.2016

Telefon  
977 59 464

Deres referanse  
Linda Herfindal

Vår referanse  
2016/229881

WESTFAL-LARSEN MANAGEMENT AS  
Postboks 1192 Sentrum  
5811 BERGEN

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for selskap i konsernet Skibsaktieselskapet Navigation Co Ltd

- Vi viser til deres brev av 14. mars 2016 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for

Westfal-Larsen Management AS, org.nr. 876 962 012 og  
Westfal-Larsen & Co AS, org.nr. 922 490 066.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskapene 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

Westfal-Larsen & Co AS er et shippingselskap med hovedkontor i Bergen. Selskapet eier seks kjemikalietankere som opererer i internasjonalt farvann. Hovedvirksomheten til Westfal-Larsen Management AS er teknisk maritim drift av skip og utførelse av administrative tjenester. Selskapet hadde ved utgangen av 2015 ansvaret for teknisk drift av Westfal-Larsen & Co AS sine seks kjemikalietankere. Selskapene opererer således i en bransje av sterk internasjonal karakter. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Selskapene benytter også engelsk som arbeidsspråk. Både Westfal-Larsen Management AS og Westfal-Larsen & Co AS er en del av konsernet Skibsaktieselskapet Navigation Co Ltd. Skibsaktieselskapet Navigation Co Ltd. er eid av norske holdingselskaper. Aksjonærstrukturen er således begrenset, og aksjonærene ønsker at engelsk språk benyttes. Det er heller ingen forhold rundt selskapets finansiering eller andre forretningsforbindelser som skulle tilsi behov for regnskap på norsk. Bankforbindelser og øvrige forretningsforbindelser etterspør kun informasjon på engelsk. Den norske versjonen utarbeides kun for å tilfredsstille regnskapslovens krav.

### 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

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Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr. 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene er en del av et utlandsk konsern som er eid av norske holdingsselskaper. Eierkretsen er dermed begrenset. Videre er det vektlagt at selskapene operer i en bransje av sterk internasjonal karakter og at arbeidsspråket er engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Rune Tystad

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer*