



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	919 737 476
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	EITZEN AVANTI AS
Forretningsadresse:	Stortingsgata 20 0161 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
-------------------------	-------------------------

Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Fridtjof C. Eitzen
Dato for fastsettelse av årsregnskapet:	30.06.2023

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, 02.08.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Kostnader			
Administrative expenses	2	2 501 196	622 680
Sum kostnader		2 501 196	622 680
Driftsresultat		-2 501 196	-622 680
Finansinntekter og finanskostnader			
Dividend from subsidiary		226 722 183	
Financial income		3 267 189	0
Sum finansinntekter		229 989 372	0
Financial expenses		8 584 600	
Sum finanskostnader		8 584 600	
Netto finans		221 404 772	0
Ordinært resultat før skattekostnad		218 903 576	-622 680
Ordinært resultat etter skattekostnad		218 903 576	-622 680
Årsresultat		218 903 576	-622 680
Overføringer og disponeringer			
Udekket tap			-622 680
Retained earnings	6	218 903 576	
Sum overføringer og disponeringer		218 903 576	-622 680



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	3	138 024 859	80 765 931
Investeringer i tilknyttet selskap	3	13 396 324	
Investment joint venture	3	22 828	22 828
Sum finansielle anleggsmidler		151 444 011	80 788 759
Sum anleggsmidler		151 444 011	80 788 759
Omløpsmidler			
Varer			
Fordringer			
Other receivables			0
Sum fordringer			0
Bankinnskudd, kontanter og lignende			
Bank deposits		23 881 430	211 956
Short-term receivables from group companies		980 575	
Provision for proposed dividend subsidiary		226 722 183	
Sum bankinnskudd, kontanter og lignende		251 584 188	211 956
Sum omløpsmidler		251 584 188	211 956
SUM EIENDELER		403 028 199	81 000 715
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	4,6	2 556 935	1 950 000
Annen innskutt egenkapital	6	130 011 314	81 382 873



Balanse

Beløp i: NOK	Note	2022	2021
Sum innskutt egenkapital		132 568 249	83 332 873
Opptjent egenkapital			
Retained earnings	6	215 432 320	
Udekket tap			3 471 257
Sum opptjent egenkapital		215 432 320	-3 471 257
Sum egenkapital		348 000 569	79 861 616
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld		53 313 483	
Sum annen langsiktig gjeld		53 313 483	
Sum langsiktig gjeld		53 313 483	0
Kortsiktig gjeld			
Leverandørgjeld		6 384	52 610
Kortsiktig konserngjeld		1 139 090	1 086 480
Other short-term liabilities		568 673	9
Sum kortsiktig gjeld		1 714 147	1 139 099
Sum gjeld		55 027 630	1 139 099
SUM EGENKAPITAL OG GJELD		403 028 199	81 000 715



Konsernets resultatregnskap

Beløp i: USD	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenue	5	157 248	90 395
Voyage related expenses	6	-59 765	-39 272
Share of results of joint venture/Associated companies		185	97
Gain from sales of joint assets		1 126	337
Sum inntekter		98 794	51 557
Kostnader			
Depreciation	13	6 860	6 319
Charter Hire		9 782	11 923
Operating expenses	7	30 742	27 314
Administrative expenses	7,9	5 550	4 736
Sum kostnader		52 934	50 292
Driftsresultat		45 860	1 265
Finansinntekter og finanskostnader			
Financial income	10	511	0
Sum finansinntekter		511	0
Financial expenses	11	6 332	3 872
Sum finanskostnader		6 332	3 872
Netto finans		-5 821	-3 872
Ordinært resultat før skattekostnad		40 039	-2 607
Tax	12	-99	74
Ordinært resultat etter skattekostnad		40 138	-2 681
Årsresultat		40 138	-2 681
Minoritetsinteresser		66	
Årsresultat etter minoritetsinteresser		40 072	
Translations difference		-57	



Konsernets resultatregnskap

Beløp i: USD	Note	2022	2021
Sum resultatkomponenter for IFRS-foretak		-57	
Totalresultat		40 015	



Konsernets balanse

Beløp i: USD	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Right of use assets	14	13 990	26 582
Sum immaterielle eiendeler		13 990	26 582
Varige driftsmidler			
Property, plant and equipment	13	7	4
Vessels	13	81 492	36 928
Vessels and docing under construction	13	1 354	
Sum varige driftsmidler		82 853	36 932
Finansielle anleggsmidler			
Interests in other entities (Equity metode)	15	1 780	236
Deferred tax asset		110	
Sum finansielle anleggsmidler		1 890	236
Sum anleggsmidler		98 733	63 750
Omløpsmidler			
Varer			
Inventories		3 482	2 677
Sum varer		3 482	2 677
Fordringer			
Trade receivables	16	13 417	5 944
Other receivables	17	709	979
Prepayments	17	3 841	2 062
Restricted cash	18	2 650	2 000
Sum fordringer		20 617	10 985
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	18	27 529	3 474
Sum bankinnskudd, kontanter og lignende		27 529	3 474
Sum omløpsmidler		51 628	17 136



Konsernets balanse

Beløp i: USD	Note	2022	2021
SUM EIENDELER		150 361	80 886
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	19	283	222
Tanslation difference reserve		-13	18
Beholdning av egne aksjer		-5	
Annen innskutt egenkapital		14 712	9 836
Sum innskutt egenkapital		14 977	10 076
Opptjent egenkapital			
Retained earnings		33 484	-6 563
Sum opptjent egenkapital		33 484	-6 563
Minoritetsinteresser		2 562	
Sum egenkapital		51 023	3 513
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Lease liability	14	12 937	24 808
Loans	20	35 059	22 918
Loans from related parties			3 875
Other non -current liabilities		48	48
Financing arrangements	21	26 049	4 506
Sum annen langsiktig gjeld		74 093	56 155
Sum langsiktig gjeld		74 093	56 155
Kortsiktig gjeld			
Lease liability	14	932	1 896
Loans	20	7 316	4 600
Leverandørgjeld		7 452	9 034



Konsernets balanse

Beløp i: USD	Note	2022	2021
Current tax liabilities		11	50
Other payables	22, 26	2 355	1 778
Deferred income	22, 26	4 214	2 988
Financing arrangement	21	2 676	872
Liabilities to related parties	22	260	
Accrued expenses		29	
Sum kortsiktig gjeld		25 245	21 218
Sum gjeld		99 338	77 373
SUM EGENKAPITAL OG GJELD		150 361	80 886



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13



EITZEN GROUP
Est. 1883

ANNUAL REPORT 2022

Eitzen Avanti AS

Stortingsgata 20

0161 Oslo

Registration no. 919 737 476



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Contents

Board of Directors Report	2
Consolidated Financial Statement	15
Parent company financial statement	43
Statement by the Board of Directors	51
Independent Auditors' Report	52
Definition and glossary	54
Company information	55



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Board of Directors Report

2022 ended up as one of the most profitable and active years in the history of Eitzen Avanti AS (together with its subsidiaries and associated companies, "the Company" or the "Group" or "Eitzen Avanti").

The Group reported:

- EBITDA USD 51.4 million (USD 7.2 million in 2021);
- Net profit USD 40.1 million (loss of USD 2.7 million in 2021).

The market started the improvement at the end of 2021

and gradually improved during the spring of 2022. The second half of the year was dominated by firm rates and low number of waiting days.

The Group acquired five vessels (two of which through purchase of controlling share in RF Tankers AS) and sold one vessel during the year. Three vessels were re-financed through bareboat arrangements. All vessels owned by Christiania Shipping A/S were transferred to the 100% owned subsidiary Christianiaship A/S, and subsequently re-financed by NIBC Bank.

Business review

Eitzen Avanti is a specialized chemical vessel-owning and chartering company. The parent company (Eitzen Avanti AS) is registered in Norway as a private limited liability company.

The core business of the Group is to own and charter sophisticated chemical tankers between 3,500 - 13,000 dwt. with the highest focus on safety and quality.

The Group has a leading position in its trade segments and the vessels are trading in the Atlantic Ocean, Europe, West Africa and the Mediterranean.

As of 31 December 2022, the Company's fleet consisted of 19 stainless steel and Marline-Line coated vessels ranging from 3,500 - 12,000 dwt, of which 16 vessels owned and three vessels on time charter.

Organization

The Company's administration is based in Oslo and

Copenhagen. At the end of 2022, the Group employed 23 full time employees. As per December 2022, 7 out of 23 employees were female (30%). The work environment is regarded as good. The organization is considered to be well-qualified to perform the tasks within its remit.

Strategic focus

Safety is Eitzen Avanti's first and foremost priority and it is an integral part of the Company's vision, mission, strategy and values. The Company's overall strategic focus is:

- Develop a safety culture with a target of zero accidents
- Optimize and develop the existing business platform
- Expand and renew the fleet
- Continue the consolidation within the chemical tanker segment and generate profitable growth.

Management

Board of Directors

The Board of Directors of Eitzen Avanti AS consists of three members with solid management experience. The Board has a reasonable size, composition, diversity and

the competences necessary to ensure that they at any given time are qualified to attend to the managerial tasks as the upper Management body of the Company.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

In 2022 the Board of Directors consisted of:

- Fridtjof Camillo Eitzen, Chairman
- Axel Camillo Eitzen
- Axel Stove Lorentzen

CEO of the Company, while Axel C. Eitzen was elected as chairman of the board from 12 January 2023.

The Executive Management in 2022 consisted of Axel C. Eitzen (CEO) and Snorre Krogstad (CFO).

From 1 January 2023, Fridtjof C. Eitzen commenced as

Market

Rates

After several challenging years in the small chemical market segment, the market has finally improved to a satisfactory level in 2022.

The TC rates started the year at about USD 10,500 per day on average and steadily increased to USD 18,125 per day on average for the fleet in December. Along with steadily improving rates, the idling days were reduced. Total idling days for 2022 was 140 days (2.1 % of available days) compared to 563 days in 2021 (8.6% of total available days).

Supply

The primary market for Eitzen Avanti is the small chemical tanker vessel size (1,000 – 9,999 dwt) and medium chemical tanker vessel size (10,000 – 20,000 dwt).

The world-wide small chemical fleet market consists of about 1,300 vessels. The deliveries peaked in 2018 with 58 vessels delivered, which adjusted for removals corresponded to a net fleet growth of 3 %. 53 vessels were delivered in 2022, while 31 were removed corresponding to a net growth of about 2 %. 19 % of

the trading fleet is over 20 years of age while 27% is 15-19 years and only 13% is less than 5 years. The orderbook for 2023 is scheduled at 45 vessels and 10 vessels are scheduled for delivery in 2024. Due to the age profile of the fleet, removals are expected to increase going forward, and the net fleet growth is estimated to be 1% in 2023 and -1% in 2024.

The world-wide medium (10,000 – 20,000) chemical fleet market consist of about 1,230 vessels. The deliveries peaked in 2018 with 54 vessels delivered, which adjusted for removals corresponded to a net fleet growth of 4 %. 25 vessels were delivered in 2022, while 15 were removed corresponding to a net growth of about 1 %. 13% of the trading fleet is over 20 years of age while 35% is 15-19 years and only 10 % is less than 5 years. The orderbook for 2023 is scheduled at 26 units and 10 vessels are scheduled for delivery in 2024. Based on the anticipated removals the net fleet growth is estimated to be 1% in 2023 and -1% in 2024.

Supply and demand in the small chemical vessel segment is a thin line where as few as 20-30 vessels can make the difference between a slow market and a good market.

Subsequent events

14 April 2023 Eitzen Avanti signed a letter of intent for the acquisition of two 13,000 dwt stainless steel vessels to be built at Murakami Hide yard in Japan for delivery in 4th quarter of 2025.

At the General meeting held on 12 January 2023 a proposal from the board of directors to distribute a dividend of USD 7 million was approved. The meeting

also decided to change the company's name to Eitzen Avanti AS.

In June 2023, Eitzen Avanti AS acquired another 16% of the shares in RF Tankers AS. Consequently, the total share in RF Tankers has increased to 70%.

See also subsequent events disclosure in note 28 of the Consolidated financial statements.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Financial highlights of the Company in 2022

Profit and loss

For the full year 2022 Eitzen Avanti's time charter equivalent earnings was USD 97.5 million, up from USD 51.1 million the previous year. The increase reflects the increased fleet (acquisition of three vessels during the year, partly offset by sale of one), the improved market rates as well as reduced off-hire and idling days. The average T/C income for 2022 was USD 14,437 / day compared to USD 7,781 per day in 2021. Total number of off-hire and idling days were 339 in 2022 compared to 783 in 2021.

The vessel operating expenses amounted to USD 30.7 million (USD 27.3 million in 2021) corresponding to average daily operating cost per vessel was USD 5,321 per day compared to USD 5,539 per day in 2021. T/C expenses for the year was USD 9.8 million (USD 11.9 million 2021). The increase reflects the additional number of TC days from 1,686 days in 2021 to 1,954 days in 2022.

SG&A for the year amounted to USD 5.6 million compared to USD 4.7 million in 2021. The increase is mostly due to two additional employees and general price index growth.

EBITDA for the year was USD 51.4 million compared to USD 7.1 million previous year. Ordinary depreciation was USD 6.9 million up from USD 6.3 million e previous year due to increased fleet.

Gain from sale of fixed assets was USD 1.1 million compared to USD 0.3 in 2021.

Financial expenses for the year were USD 6.3 million (USD 3.9 million in 2021). The increase is mostly due to increased debt related to the acquisition of five vessels during the year as well as increase in the SOFR rate during the year.

The Group had a tax income of USD 0.1 million in 2022,

compared to a tax expense of USD 0.1 million in 2021.

The Group reported a profit of USD 40.1 million compared to a loss of USD 2.7 million in 2021.

Statement of financial position

The Group's total assets were USD 150.4 million (USD 80.9 million in 2021). The book value of owned vessels was USD 81.5 million up from USD 36.9 previous year. The increase is a result of the acquisition of three vessels, consolidation of RF Tankers and reclassification of Stella Theresa from Right-of-use-assets, partly offset by sale of one vessel. Right-of-use assets was USD 14.0 million compared to USD 26.6 million last year, the decline is due to exercise of purchase option on Stella Theresa and subsequent refinancing on long-term Bare-Boat agreement.

The Group held interests in other entities for USD 1.8 million in 2022 (USD 0.2 million in 2021). The increase is due to the purchase of shares in RF Tankers II AS (37.5% share owned as of 31 December 2022).

Inventories were USD 3.5 million up from USD 2.7 million last year reflecting the increased fleet during the year. Trade receivables was USD 13.4 million up from USD 5.9 million last year, as a result of increased fleet as well as higher rates than last year. Other current receivables were USD 4.6 million compared to USD 3 million last year.

Restricted cash accounts, relating to the bank loans, amounted to USD 2.7 million compared to USD 2.0 million previous year. Cash at the end of the year was USD 27.5 million up from USD 3.5 million last year.

The Group's equity amounted to USD 51.0 million compared to USD 3.5 million last year. The increase is due to the additional net income from the year as well as capital contribution for USD 4.9 million.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Total long-term liabilities amounted to USD 74.1 million (USD 56.2 million in 2021). Long-term bank loan was increased from USD 22.9 million at the end of 2021 to USD 35.1 million at the end of 2022. The increase is related to the refinancing of the owned fleet including financing of Lykia Theresa and Diana Theresa, as well as bank loans assumed through purchase of shares in RFTankers AS. Long-term lease liability was at the end of the year USD 12.9 million down from USD 24.8 million, as a result of refinancing of Stella Theresa.

As result of the sale and leaseback financing arrangement of Stella Theresa, Cathy Theresa and Sigrid Theresa in 2022, long-term financing arrangement liabilities increased to USD 26.0 million from USD 4.5 million in 2021, partly offset by the sale of Sofie Theresa during the year.

Total current liabilities were USD 25.2 million (USD 21.2 million in 2021), of which USD 7.3 million is short-term bank debt (USD 4.6 million in 2021), USD 0.9 million lease liabilities (USD 1.9 million in 2021), USD 2.7 million financing arrangements liabilities (USD 0.9 million in 2021). Trade payables at year end were USD 7.5 million (USD 9.0 million in 2021), other current liabilities were USD 6.8 million compared to USD 4.8

million in 2021.

Current assets of USD 51.6 million exceeds current liabilities of USD 25.2 million and the liquidity is strong.

Cash flow

Cash flow from operating activities was USD 35.9 million (USD 3.9 million). Cash flow from investing activities was USD -46.8 million (USD -0.2 million) mainly related to investments in additional vessels during the year. Cash flow from financing activities was USD 36.6 million (USD -2.2 million), of which USD 27.4 million is related to sale and leaseback transactions, USD 42.6 million related to refinancing of loans offset by USD 29.6 million in repayment of loans.

Net cash flow was USD 25.7 million (USD 1.5 million in 2021) and cash at the end of the year was USD 27.5 million (USD 3.5 million in 2021).

Parent company

On 31 December 2022, the parent's company's total assets amounted to NOK 403.0 million (NOK 81.0 million in 2021). The parent company equity amounted to NOK 348.0 million (NOK 79.9 million in 2021).

Outlook for 2023

The market for small chemical tankers is dependent upon the volume of easy chemicals transported by sea, which again is dependent upon several factors including the development in the economy and commodity prices among others. These factors, combined with the supply of chemical vessels, will determine the market going forward.

The demand for chemical vessels was weak for several years due to periods of oversupply of chemical vessels as well as the general impact of covid worldwide. At the end of 2021 there was a gradual market recovery which continued and into a firm market recovery in 2022. The market was somewhat lower at the beginning of 2023, but still at very healthy rates.

From a historical perspective, the newbuilding

orderbook is relatively low with a forecasted net fleet growth of 1% in 2023 for both the 1-10K segment and the 10-20K segment. Based on the forecasted fleet growth combined with the anticipated GDP growth, analysts expect the market to continue to be firm in 2023.

However, the market is still dependent upon a continued stable economic environment and a potential recession in Europe will of course impact the small chemical vessel market.

The Group expects continued firm rates and steady volumes in 2023 which we expect will result in EBITDA of about USD 40 million on the basis of the existing fleet.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Risk Factors

Being an international player in the chemical tankers segment, Eitzen Avanti is exposed to a variety of risks that can affect the Group's result. The risk factors can be divided into the following main risk components:

- Market risk
- Operational risk
- Financial risk

Such risks are normally related to volatility in charter income, charter defaults, unforeseen operational events, operating expenses and unforeseen capital expenditure requirements, fluctuations in interest- and foreign exchange rates, as well as financing risk related to new capital expenditure requirements and refinancing of existing credit facilities.

The Executive Management continuously monitors the risks considered to have the most significant effect on the Group's business performance as well as financial position. Measures deemed relevant to limit the Group's sensitivity to such risks are evaluated on an on-going basis.

Market risk

Eitzen Avanti's revenues are exclusively generated from activities in the oil and chemical tankers industry. The oil and chemical tanker industry is cyclical and volatile, which can lead to reductions in freight rates, volumes transported, and ship values.

Fluctuations in freight rates result from changes in the supply of chemical vessels and demand for seaborne transportation of certain chemicals.

Eitzen Avanti mitigates the risk of fluctuation in freight rates to a certain degree, by managing the mix between Contracts of Affreightment and spot market business. Contracts tend to reduce volatility in freight rates. Spot market business, on the other hand, provides flexibility but exacerbates the impact of a downturn in the market.

Operational risk

The Group is focused on delivering strong operational

performance for the fleet and is striving towards operational excellence through strict attention on vessel maintenance and through continued education of its staff. Despite the Group's high degree of pre-emptive maintenance and education there is a risk for equipment failure and accidents. Risks related to the operation of the vessels, transport of cargo, personal injuries, environmental damages, and war are covered by insurances in internationally recognised insurance companies. The Group aims at minimizing its exposure by using multiple insurance companies.

The Group has established duplication of business-critical IT systems and contingency plans in case of breakdowns. Back-up of data is made in an external IT environment outside the Group's offices.

Even though the Group obtains loss of hire insurance for contracts over a certain length, a technical breakdown will affect the earnings for a period of at least 14 days (deductible).

Risk related to changes in laws and regulation

The Group's operation and vessels are subject to international environmental laws and regulations which have become more stringent in recent years. Although the Group is doing its utmost to comply, changes in laws and regulations may expose the Group.

Bunkers

Bunker fuel constitutes the major cost component affecting time charter equivalent (TCE) earnings and increasing prices can have a material impact on Eitzen Avanti's results.

The Group is striving to reduce the impact of bunker price fluctuations by passing bunker fuel costs on to customers. Hence, in 2022 approximately 50% of freight earnings were derived from Contracts of Affreightment, the large majority of which include a bunker price clause that indexes freight rates with bunker prices.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Financial risk

Investments are typically financed by cash reserves, equity proceeds injected by the shareholders, debt obtained by international banks or international leasing providers. The Group is exposed to financing risk related to potential new investments and refinancing of existing debt.

In July 2022, the Group refinanced its outstanding Bank debt with NIBC. A new 5 year USD 39.5 million loan was entered into with NIBC. The loan agreements include customary financial covenants. At the end of 2022 the Group was in compliance with all its covenants.

In addition to the bank agreement with NIBC, the Group is utilizing financial leases and sale leaseback arrangements, with purchase options and obligations, to finance vessels. At the end of the year, one vessel was classified as Financial lease corresponding in USD 12.9 million in outstanding bareboat obligations, while four vessels were classified as financial agreement totaling USD 26.0 million in outstanding bareboat obligations. The average remaining tenor for the five vessels on bareboat with purchase obligation was at the end of the year 6.1 years..

The Group is dependent upon a stable income in order to be able to refinance debt or raise new debt in the future.

Interest rate risk

The Group's bank loans are generally subject to floating interest rates. For 2022, the Group did not hedge any of its interest rate risk but will evaluate to hedge the exposure going forward. The Group also finances vessels through bareboat contracts with purchase obligations. These financing arrangements are based on a fixed bareboat rate which a large part of the Group's interest rate exposure. For 2022, about 55% of the Group's interest rate exposure was hedged through fixed bareboat financing arrangements, while the hedged part for 2023 is about 50%.

Currency risk

The Group pursues a finance policy that ensures that foreign exchange risks arise only on the basis of

commercial factors. Most of the revenues earned by Eitzen Avanti are in the reporting currency USD as well as EUR. A significant portion of the operating expenses as well as administrative expenses are incurred in primarily EUR and DKK, while BB and other financial expenses (BB rate, interest costs and installments) are in USD. To reduce foreign currency exchange risk on EUR, Eitzen Avanti strives to match cash inflows and cash outflows as much as possible. A 10 % fluctuation in the USD/EUR exchange rate would have an approx. 2% impact on time charter equivalent earnings for the Group in 2022.

Counterparty risk

It is the Group policy only to grant credit to oil majors and other first-class customers to minimize credit risks. As such, the Group's credit risk relates to receivables from these first-class customers and oil majors in the chemical tanker segment. The credit risk is deemed to be minimal and consequently receivables are not hedged. The Group's maximum credit risk associated with receivables corresponds to their carrying amounts.

For smaller customers and newer customers, it is Group policy to perform a credit assessment based on credit reports retrieved out of the database of one of the world's largest vendors. In most cases, such credit reports include a credit rating and information on potential payment delinquency. Furthermore, it is custom to require freight to be paid before cargo release. For customers with whom Eitzen Avanti has a long-lasting relationship, freight is typically paid after cargo release. In 2022, Eitzen Avanti did not suffer any significant losses from defaulting customers.

Liquidity risk

The shipping market is capital intensive and insufficient liquidity will severely impact the ability to operate. The Group's approach to manage liquidity risk is to ensure, as far as possible that it will always have sufficient liquidity to meet its obligations. Cash flow developments are monitored daily, including monthly updates to the Executive Management. Furthermore, the Group evaluates its capital structure and explores various options to safeguard liquidity. The Group has a minimum liquidity covenant in its credit facility.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

In 2023, Eitzen Avanti expects to have sufficient liquidity for meeting its payment obligations for conducting the normal course of its operations without needing the support from its shareholder.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Environment, Social and Governance Reporting (ESG)

For a short description of our business model, please see page 4 under the Business Review section.

Eitzen Avanti will actively initiate and participate in activities related to ESG and will incorporate ESG initiatives in its strategy at any given time. The key focus points of the Group are areas related to health & safety, environment & climate and general welfare and training. Eitzen Avanti will strive to continuously improve itself in these fields and communicate transparently with stakeholders about results and initiatives.

All of Eitzen Avanti's ESG activities emerge from the Group's core business and strategy. The Group is committed to progress in business-driven ESG initiatives in order to deliver high quality and 'best in class' services while meeting own and customers' expectations in respect of responsible business practice. Management sees the business-driven approach as the only way forward when building a long-term sustainable business, where both the Group and society benefit.

The Group's ESG policy is based on the ten guiding principles of the United Nations Global Compact (UNGC) that cover the areas of human & labor rights, environment & climate and anti-corruption as well as the principle of continuous improvement.

The Board of Directors and Management of Eitzen Avanti are committed to operate the Group in a responsible manner in order to be sustainable. The aim is to manage the Group in a way that generates long-term profitability in combination with care for the environment, the people involved in our business and the society at large.

The maritime industry is subject to comprehensive global regulations governed by IMO, ISO, regional (e.g. EU) and National bodies and Port States. Increased attention is observed from the larger community including finance through "Poseidon Principles" and EU with "Taksonomi" (sustainable economic activity).

The Group follows developments through its membership in the Danish Shipowners Association and in cooperation with classification societies. The Group is responsible through its ownership and chartering of its fleet of chemical vessels but have delegated the day-to-day management and supervision of the vessel to the Technical Managers who are responsible for crew and maintenance of the vessels. The Group is evaluating the governance policy of Technical Managers during the selection process and as part of the continuous evaluation of the technical managers.

Climate and environmental responsibility

Biodiversity and marine pollution

The Group has formulated a Health, Safety and Environment (HSE) policy, which includes working towards a "zero oil spill to sea" by coordination of efforts of those ashore and on-board vessels plus working towards a long-term goal of "zero accidents and incidents" by using KPIs to monitor performance.

CII and EEXI

The International Maritime Organisation (IMO) is introducing new regulatory standards for ship energy efficiency - the Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) - and from 2023 all existing ships must meet new energy efficiency standards. The Carbon Intensity Indicator (CII) measures how efficiently a vessel above 5,000 GT transports goods or passengers and is given in grams of CO₂ emitted per cargo-carrying capacity and nautical mile. The CII measurement was initiated as per January 2023. The first reporting of the CII based on 2023 data is due no later than 31 March 2024. Vessels will receive a rating of A (major superior), B (minor superior), C (moderate), D (minor inferior) or E (inferior performance level). The rating thresholds will become increasingly stringent towards 2030. A vessel rated D for three consecutive years or rated as E, will need to develop a plan of corrective actions. From 2024, the CII must be calculated and reported to the DCS verifier together with the aggregated DCS data for the previous



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

year, including any correction factors and voyage adjustments.

The Energy Efficiency Existing Ship Index (EEXI) is a measure introduced by the IMO to reduce the greenhouse gas emissions of ships. The EEXI is a measure related to the technical design of a ship. Ships have to attain EEXI approval once in a lifetime, by the first periodical survey in 2023 at the latest. The required EEXI value is determined by the ship type, the ship's capacity and principle of propulsion and is the maximum acceptable attained EEXI value. Christiania vessel not meeting the EEXI requirements will be fitted with ShaPoLi in accordance with regulations prior first periodical survey. Three vessels are complying, and 6 vessels are currently fitted with ShaPoLi.

The Group has initiated all the necessary routines and procedures in order to comply with the CII and EEXI regulations.

In order to improve the vessel efficiency, Eitzen Avanti Group has installed Frugal on 9 of its vessels. Frugal is an automated on-top system optimizing RPM and pitch, applicable for vessels with controllable pitch propeller (CPP). This technology allows automated fuel and CO₂ savings up to 15% and thus helps lower the carbon footprint on the vessels. On vessels with fixed pitch propeller, they system allows the vessel to keep constant consumption, optimizing vessels performance by 3 - 4%.

Further, initiatives as below has been decided or already launched by the Group in order to limit CO₂ emissions.

- Hull painting: Christiania will move to Silicon based hull paint instead of normal antifouling paint.
- Bunker system: Testing
- Power management system: Presently investigation upgrade of vessels pms to lower aux consumption
- Trim system: Investigating options to install onboard our vessels to optimized vessels trim and hereby speed /consumption

The Group has initiated a new tank cleaning method, by using spectrometers. Applying spectro-meters, the

Group openly shares particulate contents of tank washing analysis with customers, surveyors and terminals. The new system ensures:

- A decrease of the number of man entries in tanks for wall wash, inspections etc., and the occurrence of solvent handling used for wall wash medium and the number of third party, surveyor personnel, required to be on board the vessel.
- A reduction of the amount of excessive cleaning chemicals required and the disposal hereof and the cleaning time and unnecessary ship Co₂ emissions.
- A goal for 2022 is to keep developing on tank cleaning safety and optimization.

All vessels have ballast water to manage stability and trim of the vessel. The transfer of invasive species in ballast water is a source of environmental contamination through transportation of organism from one eco system to another. As a result, international and national regulations have been implemented to limit the risk of containment. Christiania Shipping fully complies with all regulations. Ballast water treatment system is installed on seven vessels. The remaining vessels will receive the systems as required by the regulations (at first renewal of their IOPP-certificate).

There are strict international maritime laws regulating on board waste management to prevent disposal of garbage at sea. This is regulated through MARPOL Annex V. The Group, through their technical managers, have continuous efforts towards improving on board waste management with the aim to reduce the total environmental impact of the vessels. Each vessel has its own Garbage Record tracking waste treatment ensuring that waste is safely treated and to secure a high level of recycling. Furthermore, technical managers are taking actions to actively manage and encourage suppliers to focus on reducing the usage of plastic wrapping. Our actions to minimize plastic also include the abolition of plastic bottles, replaced with environmentally friendly paper carton. Eitzen Avanti, through its technical managers, is fully committed to comply with all applicable regulations related to waste management. Eitzen Avanti believes that waste management is important in order to reduce the environmental impact for the vessels, furthermore that



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

the Group and its technical managers should strive to improve and strengthen the effort towards this going forward. The average amount of waste produced per vessel should track downward over an extended period. Furthermore, 100% of the owned and BB fleet are Green Award certified. Green Award certificate holders are the front runners of the maritime industry and our quality and safety standards as well as enhanced environmental performance have been audited and confirmed with the Green Award certificate.

Accidental spills and emergency preparedness

The technical managers of the vessels are responsible for the emergency preparedness of the vessels. This is conducted, checked and approved via vessels Safety Management System which includes focus on drills, ensuring regular emergency, fire and lifeboat drills as well as verifying that adequate supplies of effective tools and materials are maintained onboard each vessel to respond to oil spills or other emergencies. It is the target to have 0 groundings and 0 oil spills, both of which were achieved in 2022.

KPI	2022	2021
Fatal Accidents ¹	0	0
Oil Spill to Sea ²	0	0
Near Miss Incidents ³	24	34,6
Retention, All Officers ⁴	85%	98.39%
Personal Injuries		
Lost Time ⁵	0 days	0.08 days
Total Recordable Cases Frequency ⁶	3 hours	0.12 hours

¹ Fatal accidents are the headcount of work-related accidents leading to the death of an employee

² Oil Spill to Sea is the number of oil spills

³ Near Miss Incidents are reported cases where no injuries happened, but where there could have been an injury

⁴ Retention of All Officers is the retention percentage of all Officers

⁵ Lost Time is the number of days of time lost due to an injury

⁶ Total Recordable Cases Frequency is the total exposure hours divided by total recordable cases

If an environmental emergency does occur, the technical managers Emergency Response Plan is effectuated enabling a quick response enabling efficient focus on the human capital as well as minimizing environmental impact.

Ship Recycling

The recycling of vessels is a potential source of contamination of the environment. Eitzen Avanti is aware of the environmental aspects relating to the recycling of vessels and will therefore take necessary precautions if vessels are sold for recycling. The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 (the "Hong Kong Convention") has been ratified by Denmark, and the Group is committed to follow the standards set out therein. Eitzen Avanti will through a comprehensive investigation and screening process ensure that any recycling is completed in full compliance with the Hong Kong Convention and ensure that the nominated yard must at minimum meet following requirements:

- Comply with the Hong Kong Convention
- Produce an Inventory Hazardous Material certificate issued by Class (IACS)
- Issue a Ship Recycling Plan
- Issue a Green Recycling Certificate

Social responsibility

The onshore staff and crew onboard the vessels are key resources for the Group. The safety, health and well-being of the staff and crew employed by the Group are key factors for the Group's success and highly prioritized to attract highly qualified and motivated employees. The Group's HSE policy ensures that all employees work in a safe work environment both on the vessels and in the offices. It is the Group's aim to operate in accordance with all applicable laws and regulations and to treat its employees with dignity and respect.

The technical management, including crewing of the vessels, has been outsourced to third party managers. The managers are reputable, highly qualified and experienced with the management of chemical vessels and are accredited with ISO certifications and Green Awards. Furthermore, the technical managers have their own social responsibility policy committing to provide a safe, secure, healthy, and environmental responsible workplace.

In 2022, the number of accidents and incidents was 0.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Christiania Shipping will continue the efforts to meet our long-term target of 0 accidents and incidents.

General purchasing terms and conditions

There is a risk of violation of human rights in our supply chain. As such, the General Purchasing Terms and Conditions of the Group specify that all suppliers and sub-suppliers are required to live up to the rules and regulations applicable for the Group. The Group expects its suppliers to operate their businesses in accordance with all applicable laws and regulations and to treat its employees with dignity and respect. In order to ensure to this, it is explicitly stated in the Group's general purchasing terms and conditions that suppliers may not in any way be involved in or related to any form of slavery or forced labor, human trafficking or similar actively. Furthermore, suppliers shall treat all personnel with dignity and respect and shall not tolerate mental or physical abuse or coercion of employees. Nor may suppliers be engaged in or benefit from child labor.

All new suppliers in 2022 have agreed to the purchasing terms and conditions and have as such committed to upholding the Group's requirements related to human rights as stated in the terms and conditions.

It is not the goal to draw up a separate policy on human rights in 2023, as the Group believes the General Purchasing Terms and Conditions combined with their Code of Conduct to be adequate.

Labor rights

International and local legislation is adhered to by the Group and its technical managers, including the Maritime Labor Convention (2006) which sets out the rights of the seafarers when it comes to, general working conditions, payment of wages, working hours and rest, right to medical care and annual leave.

Anti-corruption and Anti-Money Laundering

As an industry, shipping is exposed to corruption and the demand of facilitation payments. Eitzen Avanti is firmly committed to adherence to high ethical standards in addition to applicable laws, hereunder anti-corruption. The Group has an anti-corruption policy, which states that "all employees of the Group shall be

opposed to and shall contribute to counteract all forms of corruption" and further, that "no employee of the Group may be involved in corruption".

The Technical Managers have their own Anti Bribery Policy committing them to a zero-tolerance approach to bribery as well as strict actions to report demand for bribe.

The Group has implemented an Anti-Money Laundering (AML) Policy and Guidelines that further elaborated on the policy statement set out in the Group's CoC. This states that the Group will not participate in any form of money laundering, and that no member of Management or any employee may facilitate, support, directly or indirectly, any payment or transfer of money, which is likely to constitute money laundering.

The responsibility to avoid getting involved in any money laundering or dubious transaction applies to all employees and involves all departments and throughout the entire activity chain from the choice of customer or business partner all the way to the execution of payments.

The policy and guidelines include a financial background check of customers/vendors plus a sanctions background check. All employees have received a copy of the policy in 2022 plus the training necessary to identify the warning signs of money laundering and financial crime have been completed in the financial year. No issues have been identified in 2022 and employee training will continue going forward to ensure compliance with the Group's policy on this area.

Diversity and equal opportunity

The Group believes in equal opportunity. The Group employed 23 full time staff in its office in Copenhagen, Golf Juan and Oslo of which 7 were female (equivalent to 30%).

As per 31 December, the Board of Directors consisted of three members, all men. The Group is aware of the imbalance and will work towards improving the ratio in the future and it is the Group's goal to have one woman on the Board of Directors by 2025. It is the Group's



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

policy, at all times to select the candidate with the strongest qualifications no matter their gender, nationality, religion and political conviction. The gender composition is unchanged compared to last year.

The Executive Management of Eitzen Avanti consists of two male. The Group has under 50 employees and therefore no policy regarding the composition of the Executive Management has been made.

Data Ethics

The Group take the employees' right to privacy seriously

and take measures in order to protect personal data from being misused.

The Group does not use advanced technologies such as AI or machine learning. The Group processes regular data such as customer data and employee data. Data is processed in accordance with GDPR and other regulation. With the limited use of data, it is our assessment that a policy for data ethics is not required. The Group will ongoingly assess if a policy is needed.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Consolidated financial statements

For the years ended December 31, 2022 and 2021

Consolidated income statement	16
Consolidated balance sheet	17
Consolidated statement of changes in equity	19
Consolidated statement of cash flow	20
Notes to the consolidated financial statements	21



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Consolidated income statement

1 January - 31 December

USD '000	Note	2022	2021
Net freight income	5	157 248	90 395
Voyage related expenses	6	-59 765	-39 272
Time charter equivalent earnings		97 483	51 123
Time charter expenses		-9 782	-11 923
Operating expenses	7	-30 742	-27 314
Administrative expenses	7,9	-5 550	-4 735
Operating profit before depreciation etc. (EBITDA)		51 409	7 151
Depreciation	13	-6 860	-6 319
Gains from sale of fixed assets		1 126	337
Share of results of joint venture/associated companies		185	97
Operating profit (EBIT)		45 861	1 265
Financial income	10	511	-
Financial expenses	11	-6 332	-3 872
Profit/loss before tax		40 040	-2 607
Tax for the year	12	99	-74
Profit/loss for the year		40 139	-2 681
Net income attributable to:			
Non-controlling interests		66	-
Equity holders of Eitzen Avanti AS		40 073	
OTHER COMPREHENSIVE INCOME			
Items which will be reclassified to the income statement:			
Translation difference		-57	-
Other comprehensive income		-57	-
Total comprehensive income		40 082	-2 681
Total comprehensive income (loss) attributable to:			
Non-controlling interests		66	
Equity holders of Eitzen Avanti AS		40 016	



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Consolidated balance sheet

As at 31 December

USD '000	Note	2022	2021
ASSETS			
Vessels	13	81 492	36 928
Vessels and dockings under construction	13	1 354	-
Property, plant and equipment	13	7	4
Right-of-use assets	14	13 990	26 582
Interests in other entities (Equity method)	15	1 780	236
Deferred tax asset		110	-
Total non-current assets		98 733	63 750
Inventories		3 483	2 677
Trade receivables	16	13 417	5 944
Other current receivables	17	4 550	3 041
Cash and cash equivalents	18	27 529	3 474
Restricted cash	18	2 650	2 000
Total current assets		51 629	17 136
Total assets		150 362	80 886

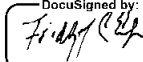


DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Consolidated balance sheet

As at 31 December

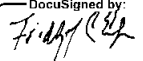
USD '000	Note	2022	2021
EQUITY AND LIABILITIES			
Share capital	19	283	222
Other paid in capital		14 712	9 836
Treasury shares		-5	-
Translation difference reserve		-13	18
Retained Earnings		33 484	-6 563
Equity attributable to equity holders of Eitzen Avanti AS		48 460	3 513
Non-controlling interest		2 562	-
Total equity		51 022	3 513
Long-term debt	20	35 059	22 918
Long-term lease liabilities	14	12 937	24 808
Long-term financing arrangements	21	26 049	4 506
Loans from related parties		-	3 875
Other non-current liabilities		48	48
Total non-current liabilities		74 093	56 155
Current portion of long-term debt	20	7 316	4 600
Current portion of lease liabilities	14	932	1 896
Current portion of financing arrangements	21	2 678	873
Trade payables		7 452	9 034
Other current liabilities	22,26	6 869	4 816
Total current liabilities		25 246	21 218
Total liabilities		99 339	77 372
Total equity and liabilities		150 362	80 886


DocuSigned by:

ED7B13E3E92146B...
Fridtjof Camillo Eitzen
Chief Executive Officer

Board of Directors

DocuSigned by:

50B0DE45072D45C...
Axel Camillo Eitzen
Chairman

DocuSigned by:

ED7B13E3E92146B...
Fridtjof Camillo Eitzen
Board member

DocuSigned by:

102A191F00064F8...
Axel Stove Lorentzen
Board member



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Consolidated statement of changes in equity

USD '000	Share capital	Other paid-in capital	Other paid in capital	Translation difference reserve	Retained earnings	Total	Non-controlling interests	Total equity
Equity at 1 January 2022	222	9 836	-	44	-6 589	3 513	-	3 513
Profit for the year	-	-	-	-	40 073	40 073	66	40 139
Translation difference	-	-	-	-57	-	-57	-	-57
Total comprehensive income	-	-	-	-57	40 073	40 016	66	40 082
Purchase of own shares	-	-	-5	-	-	-5	-	-5
Contribution of own shares to employees	-	-	-	-	-	-	-	-
Capital contribution	61	4 875	-	-	-	4 935	-	4 935
Transactions with non-controlling interests	-	-	-	-	-	-	2 497	2 497
Equity at 31 December 2022	283	14 711	-5	-13	33 485	48 460	2 562	51 023

USD '000	Share capital	Other paid-in capital	Treasury shares	Translation difference reserve	Retained earnings	Total	Non-controlling interests	Total equity
Equity at 1 January 2021	222	9 836	-	-	-3 907	6 151	-	6 151
Profit for the year	-	-	-	-	-2 681	-2 681	-	-2 681
Translation difference	-	-	-	44	-	44	-	44
Total comprehensive income	-	-	-	44	-2 681	-2 637	-	-2 637
Equity at 31 December 2021	222	9 836	-	44	-6 589	3 513	-	3 513



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Consolidated statement of cash flow

1 January - 31 December

USD '000	Note	2022	2021
Operating profit (EBIT)		45 861	1 265
Adjustment for depreciation		6 860	6 319
Adjustment for share of profit/loss from associated companies and joint ventures		-185	-97
Adjustment for impairment losses			
Adjustment for gains/losses from sale of fixed assets		-1 126	-337
Adjustment for other non-cash items			
Change in working capital excl. Accrued interest and tax liabilities	23	-10 380	525
Interest received		378	-
Interest paid	11	-2 389	-1 475
Interest on lease paid	11	-1 604	-1 796
Interest on finance arrangements paid	11	-1 513	-533
Tax paid		-20	-14
Cash flow from operating activities		35 880	3 857
Additions of tangible assets	13	-42 877	-3 252
Proceeds from the sale of tangible assets		2 900	3 050
Executing of purchase option		-2 625	
Investment in subsidiaries incl acquired cash	4	-3 406	-
Investment in associated companies	15	-1 030	-
Repayments from joint venture and associated companies		248	
Cash flow from investing activities		-46 791	-202
Capital contribution		1 241	-
Loan raised	20	42 600	-
Establishment costs for new loan		-398	
Loans raised from shareholders			1 646
Loans to parent company			
Dividend to non-controlling interest		-920	
Sale and leaseback transactions	21	27 400	5 600
Repayment of lease liability	14	-1 269	-1 479
Repayment of finance agreements		-1 714	-472
Purchase of treasury shares		-5	
Repayment of loans	20	-29 647	-7 482
Deposit related to new loan facility		-650	
Cash flow from financing activities		36 638	-2 187
Net cash flow		25 726	1 468
Cash and cash equivalents at beginning of the year		3 474	1 256
Exchange rate adjustments		-1 671	750
Cash and cash equivalents at end of the year		27 529	3 474



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 1. General information

Eitzen Avanti AS (together with its subsidiaries and associated companies, "the Company" or the "Group" or "Eitzen Avanti"), is a limited liability company with its registered office in Norway.

Eitzen Avanti is an owner and charterer of chemical vessels. The Group's fleet consists of 19 vessels, of which 16 are owned and 3 are chartered.

Basis of presentation

The consolidated financial statements of Eitzen Avanti AS for 2022 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as

Note 2. Accounting policies

Foreign currency translation

The functional currency and presentation currency of the Group is USD. On initial recognition, transactions in currencies other than the functional currency of the Group are translated using the exchange rate at the date of the transaction. Receivables, payables, and other monetary items in foreign currencies, which have not been settled at the balance sheet date, are translated using the rate of exchange at the balance sheet date. Any exchange differences arising between the rate of exchange at the date of the transaction and the rate of exchange at the date of payment and the balance sheet date, respectively, are recognised in the income statement as financial income and expenses. Property, plant and equipment, intangibles, inventories, and other non-monetary assets purchased in foreign currencies and measured using historical costs are translated using the rate of exchange at the date of the transaction.

Basis for Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

adopted by the European Union. The financial statements were approved by the Board of Directors on June 28, 2023 and authorized for issue.

The consolidated financial statements are presented in United States dollars (USD). The consolidated financial statements are presented based on historical cost prices.

The most important elements of accounting policies and changes in accounting standards compared to the last year are described in notes 2 and 3.

Intercompany transactions, balances, and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Subsidiaries have the same reporting periods as the parent company and use consistent accounting policies.

Non-controlling interests in subsidiaries are presented within equity separately from the equity attributable to the owners of the parent.

Business combinations

The acquisition method of accounting is used to account for all business combinations. The consideration transferred in a business combination comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Income statement

Revenue

Revenue comprises freight, demurrage, time charter and other voyage related revenue. Revenue is recognised when or as performance obligations are satisfied by transferring the promised goods or services to the customer, i.e. at a point in time or over time provided that the stage of completion can be measured reliably.

Revenue is measured at the consideration the Group expects to be entitled to.

The completion is determined using the load-to-discharge method based on the percentage of the estimated duration of the voyage completed at the reporting date. Freight revenue and related voyage and operating costs are recognised in the income statement according to the entered charter parties from the date of load to the date of delivery of the cargo (discharge).

Accordingly, freight, charter hire and demurrage revenue are recognised at selling price upon delivery of the service as specified in the agreement with the charter parties.

Voyage related expenses

These are expenses related to voyages performed by the Group's vessels. Voyage related expenses consist mainly of bunkers, port expenses and commissions. Voyage related expenses are recognised as incurred.

Operating expenses

Operating expenses include costs relating to the operation and maintenance of vessels, including costs relating to crew. Operating expenses are recognised as incurred.

Administrative expenses

Administrative expenses include the cost of offices, personnel costs, and administrative costs. Staff costs comprise wages and salaries, social security, and pension costs, etc. and are recognised as incurred.

Depreciation and impairment losses

Depreciation and impairment losses comprise

depreciation of tangible fixed assets for the period as well as the impairment of the value of assets by the amount by which the carrying amount of the asset exceeds its recoverable amount. In the event of indications of impairment, the carrying amount is assessed, and the value of the asset is impaired to its recoverable amount equal to the higher of value in use based on net present value of future earnings from the assets and its net selling price.

Financial items

Financial items comprise interest income and expenses, realised and unrealized, gains and losses on securities, liabilities and foreign currency transactions, dividends, estimated interest expenses relating to amortization allowances or deductions relating to mortgage debt etc. as well as surcharges and allowances under the Danish and Norwegian Corporate tax schemes.

Interest income and expenses are accrued on the basis of the principal and the effective interest rate. The effective interest rate is the discount rate that will be used to discount the expected future payments that are linked to the financial asset or financial liability so that their present value corresponds to the carrying amount of the asset and liability.

Tax

The Group's current tax of the year consists of estimated tax according to local tax regulations for all shipping activities, and according to general tax regulations for net financial income and other activities. Other activities consist of the Group's Management fee income. Shipping activities are taxed based on the net tonnage (vessels) which the Group has at its disposal.

Based on the Group's planned use of vessels and recovery of reversed depreciation, the tonnage tax regime does not result in a deferred tax liability but is merely incorporated as a contingent liability. Other activities of the Group are not subject to deferred tax either.

Balance sheet

Property, plant and equipment, vessels, and dry-



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

docking

Property, plant and equipment, vessels, upgrade costs, dockings, office and IT equipment are measured at cost less accumulated depreciation and impairment losses. The cost comprises the cost of acquisition and any expenses directly related to the acquisition until the time when the asset is ready for use, including interest expenses incurred during the period of construction. Other borrowing costs are taken to the income statement. Depreciation is charged over the expected economic lives of the assets, and the depreciation methods, expected lives and residual values are reassessed individually for the assets at the end of each financial year.

Vessels

Vessels are measured at cost less accumulated depreciation and write-downs. All major components of vessels except for dry-docking assets are depreciated on a straight-line basis to the estimated residual value over their estimated useful lives, which the Group estimates to be 25 years. Depreciation is based on cost less estimated residual value. Residual value is estimated as the lightweight tonnage of each vessel multiplied by scrap value per ton. The useful life and residual value of the vessels are reviewed at least at each financial year-end based on market conditions, regulatory requirements and the Group's business plans. Moreover, the Group evaluates the carrying amount of the vessels to determine whether events have occurred that indicate impairment and would require an adjustment of the carrying amounts. Prepayments on vessels under construction are recognised as installments paid.

Dry-dockings

Vessels are required to undergo planned dry-dockings for major repairs and maintenance, which cannot be carried out while the vessels are operating. Dry-dockings are generally required every 30-60 months depending on the nature of the work, and the age of the vessel. Costs relating to dry-dockings are capitalised and depreciated on a straight-line basis over a period of 60 months or to the next dock if within 30 months. The residual value is estimated at zero. A portion of the cost of acquiring a new vessel is allocated to the components

which are expected to be replaced or refurbished at the next dry-docking. A portion of the acquisition price for a new vessel is allocated to a dry-docking asset. The dry-docking asset is estimated based on the expected costs related to the first-coming docking, which is based on experience with similar vessels. At subsequent measurement of a dry-docking, the asset comprises the actual docking costs incurred.

Office and IT equipment

Office and IT equipment is depreciated on a straight-line basis over the estimated useful lives, which does not exceed 5 years.

Leases

The Group leases vessels through bareboat and time charter arrangements. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Lease liabilities

Lease liabilities are initially measured on a present value basis and include the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts to be expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option
- payments to be made under reasonably certain extension options.

In calculating the present value of the lease payments,



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

the Group uses the incremental borrowing rate at the lease commencement date. This is the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions. The incremental borrowing rate applied is approximately 8%. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance expenses. Finance expenses are charged to the income statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are depreciated over the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets of the Group are comprised of office rent, office

equipment, etc.

Sale and leaseback transactions

A sale-and-leaseback transaction involves the transfer of an asset by an entity (the seller-lessee) to another entity (the buyer-lessor) and the leaseback of the same asset by the seller-lessee. However, in order for an arrangement to be classified as a sale-and-leaseback agreement, the Group is required to apply *IFRS 15 Revenue from Contracts with Customers* to determine whether a sale has occurred. That is, control of the underlying asset has to pass to the buyer-lessor in order for the arrangement to be classified as a sale-and-leaseback agreement. If control of the underlying asset is not passed, the transaction should be accounted for as a financing transaction.

In case of the Group's agreement, an option (and obligation) to repurchase the vessels means that the transaction does not qualify as a sale in accordance with *IFRS 15* and therefore does not qualify as a sale and leaseback transaction.

Consequently, the Group should account for the transaction as a financing arrangement in accordance with *IFRS 9 Financial instruments*.

In accounting for a financing arrangement, the Group continues to recognise the transferred assets and recognises a financial liability for the consideration received from the buyer-lessor. The financial liability is subsequently measured at amortized cost.

Impairment tests

The carrying amounts of property, plant and equipment with finite useful lives are evaluated at the balance sheet date to determine whether there are indications of impairment. If an indication of impairment is identified, the recoverable amount of the asset is estimated in order to determine the need for recognising an impairment loss and the extent thereof. If an asset does not generate cash flows that are independent from other assets, the recoverable amount is determined for the smallest cash-generating unit to which the asset belongs. The Group is considered as one cash generating unit. The recoverable amount is defined



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

as the higher of the fair value of the asset or the cash generating unit less costs to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money, the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For vessels, the fair value is usually determined based on the estimated selling price less costs to sell. If the recoverable amount of the asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount.

An impairment loss for cash-generating unit is allocated to the assets of the unit, but no asset will be reduced to a lower value than its fair value deducted expected costs to sell. Impairment losses are recognised in the statement of comprehensive income. If an impairment loss subsequently is reversed as a result of changes in the assumptions used to determine the recoverable amount, the carrying amount of the asset or cash-generating unit is increased to the revised recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit.

Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Inventories

Inventories are measured at cost according to the FIFO method, or net realizable value if lower. Inventories consist of bunkers and lubricants etc. The cost of bunkers and lubricants includes the purchase price and delivery costs.

Receivables

Receivables comprise trade receivables (including accrued income) and other receivables. Receivables are classified as receivables that are financial assets, with fixed or determinable payments, which are not quoted in an active market, and which are not derivative financial instruments. Receivables are initially

measured at fair value and subsequently at amortized cost, which usually equals the nominal value less provisions for bad debts.

In measuring the expected credit losses on trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Dividends

Dividends are recognised as a liability at the time of approval by the General Meeting. Dividends proposed by Management in respect of the year are stated under equity.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured as the best estimate of the expenditure required to settle the obligation at the balance sheet date. Provisions with an expected maturity of more than one year from the balance sheet date are measured at present value.

Non-current and current financial liabilities (interest bearing debt)

Finance loans are initially measured at fair value less any transaction costs. Finance loans are subsequently measured at amortized cost. This means that the difference between the amount on initial recognition and the redemption value is recognised in the income statement as a financial expense over the term of the loan using the effective interest method.

Trade payables and other liabilities

Trade payables and other liabilities are initially measured at fair value less any transaction costs. Liabilities are subsequently measured at amortized cost using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement as a financial expense over the term of the liability.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Cash flow statement

The cash flow statements are presented using the indirect method and show cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are stated as the operating profit or loss, adjusted for non-cash operating items and changes in working capital, less corporation tax paid attributable to operating activities.

Cash flows from investing activities include payments in connection with the acquisition and divestment of enterprises and financial assets and the acquisition, development, improvement, and sale of intangibles and property, plant and equipment.

Cash flows from acquisition and divestment of enterprises are shown separately under cash flows from investing activities. Cash flows from acquired

enterprises are recognised in the cash flow statement from the time of their acquisition, and cash flows from divested enterprises are recognised up to the time of sale. Cash flows from financing activities comprise changes in the parent Group's share capital and related costs as well as raising and repayment of loans, instalments on interest bearing debt, acquisition of treasury shares and payment of dividend. Cash flows in other currencies than the functional currency are recognised in the cash flow statement using average exchange rates for the respective months, unless these deviate materially from the actual exchange rates ruling at the dates of the transactions. If so, the actual exchange rates are used.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Accounting standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting period and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Note 3. Significant accounting estimates, assumptions, and uncertainties

In applying the Group's accounting policies described in note 2, Management is required to make estimates, as well as assumptions for the carrying amount of assets and liabilities that cannot be directly derived from other sources. These estimates and assumptions are based on historical experience and other relevant factors. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognised in the accounting period in which the change takes place and in future accounting periods if the change affects both the period during which the change takes place and subsequent accounting periods.

Significant accounting estimates associated with accounting policies

In connection with the application of the accounting policies described in note 26, Management has made the following accounting estimates, with a significant effect on the amounts recognised:

- Voyage revenues and costs
- Impairment of tangible assets (including reversal of impairments)
- Valuation of vessels in business combination

Voyage revenues and costs

Estimated voyage revenues and costs are recognised in accordance with the percentage of completion method with operating revenues and expenses recognised for each voyage. The percentage of completion is estimated



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

by management based on the ratio between the duration of the voyage from load date through the balance sheet date relative to the total duration of voyage through the estimated date of discharge. Applied estimates are reviewed and updated at the end of each accounting period.

Impairment of tangible assets (including reversal of impairments)

The Group evaluates the carrying amount of vessels and other net assets to determine whether events have occurred (impairment indicators) that would require an adjustment to the recognised value of the net assets. If impairment indicators exist Management prepares an impairment test. Impairment tests are based on discounted future cash flow models, which are compared to the carrying amount of the assets within the cash generating units. Impairment tests are

prepared based on assumptions including future freight rates, earnings from vessels and Management activities as well as discount rates. All of these factors have been historically volatile.

Voyage revenues and costs

The Group acquired RF Tankers AS in 2022. When performing the purchase price allocation, the valuation required management judgements and estimates. The management concluded that the acquisition were a business combination. Excess values were allocated to the vessels. It is the management judgement that this represents the fair value of the vessels.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 4. Business combinations

Acquisition of RF Tankers AS

On 17 March 2022, Eitzen Avanti purchased 540 shares in RFTankers AS at a total purchase price of USD 4 011 thousand. This represents a share ownership of 54%. This is a transaction between independent parties; the seller was Banque Thaler SA. The transaction was settled in cash. RFTankers AS is fully consolidated as of transaction date.

Purchase price allocation:

USD '000	RF Tankers AS
Cash consideration	4 011
Total purchase consideration	4 011
Vessels	10 087
Inventories	10
Other current receivables	675
Bank deposits	605
Long-term borrowings	-2 200
Current liabilities	-1 749
Total net identifiable assets acquired at fair value	7 428
Non-controlling interest	3 417
Net identifiable assets acquired (54%)	4 011

There was a transaction cost of USD 20 thousand associated with the acquisition, which has been recognized as part of Administrative expenses.

RF Tankers has contributed USD 1.2 million to the Group's revenue since the acquisition date and net income of USD 0.3 million to the Group's total gain.

If the acquisitions of RF Tankers had occurred on 1 January 2022, the proforma revenue for the Group could have been USD 94.8 million and the Group's loss could have been USD 39.1 million.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 5. Revenue

USD '000	2022	2021
North West Europe, Mediterranean and others		
Freight revenue	101 819	58 354
Time charter revenue	1 524	-
Demurrage	11 075	7 718
Other voyage related revenue	3 586	1 724
Revenue	118 004	67 797
West Africa		
Freight revenue	33 940	19 451
Time charter revenue	418	-
Demurrage	3 692	2 573
Other voyage related revenue	1 195	575
Revenue	39 245	22 599
Total revenue		
Freight revenue	135 759	77 806
Time charter revenue	1 942	-
Demurrage	14 766	10 291
Other voyage related revenue	4 781	2 298
Total revenue	157 248	90 395

Accrued income included in trade receivables in the balance sheet constitutes contract assets comprising unbilled amounts to customers representing the Group's right to consideration for the services transferred to date. Any amount previously recognised as accrued income is reclassified to trade receivables at the time it is invoiced to the customer.

Part of the deferred income presented in the balance sheet constitutes contract liabilities which represent advance payments and billings in excess of revenue recognised.

There were no significant changes in accrued income and deferred income during the reporting period.

Note 6. Voyage related expenses

USD '000	2022	2021
Bunker costs	38 877	22 180
Port costs	12 609	12 034
Commission	6 468	3 826
Other	1 811	1 233
Voyage related expenses	59 765	39 272



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 7. Employee compensations

USD '000	2022	2021
Land based employees (included in administrative expenses)		
Wages and salaries	2 671	1 861
Pensions	284	142
Bonus	185	-
Other social security expenses	239	30
Other staff expenses	2	3
	3 382	2 036
Seafarers (included in operating expenses)		
Wages and salaries	12 966	15 737
Pensions	207	295
Bonus	12	-
Other staff expenses	2 446	110
	15 631	16 141
Total staff costs	19 013	18 177
Average employees		
Land based employees	23	21
Seafarers	211	188
	234	209
Persons in the Board of Directors and key management, average		
Board of Directors*	3	4
CEO, CFO and key management personnel	2	2
	5	6
<i>* Snorre Schie Krogstad resigned from the Board of Directors on 28 February 2022</i>		
USD '000		
Remuneration to key management personnel		
Salaries	399	371
Bonus	33	-
Contribution based pension	22	19
Other employee benefits	14	26
Share-based payment benefits	33	-
	502	416
Remuneration to Board Members		
Board fees	109	143
	109	143



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 8. Share based payments

In December 2022, the Group entered into an agreement regarding granting shares in the parent company, Eitzen Avanti AS, to its employees. Such scheme was approved by shareholders at a Board Meeting dated 9 March 2022. Each share of nominal 0.13 NOK has a market value of 10.55 NOK on the day of the grant. All permanent employees in Christiania Shipping that were employed by the Group as of the grant date are eligible to participate in the scheme. Employees may select not to participate in the scheme.

Shares issued by the Group are acquired on-market prior to the issue. Shares held by the Group and not yet issued to employees at the end of the reporting period are shown as treasury shares in the financial statements.

Under the scheme, eligible employees may be granted up to one month's salary worth of fully paid ordinary shares in Christiania Shipping A/S for no cash consideration. The number of shares issued to the participants in the scheme is the offer amount divided by the weighted average price of the market value on the grant date and are a part of employee benefit costs in the period the shares are granted.

There are no restrictions applied to the shares.

	<u>2022</u>	<u>2021</u>
Number of shares issued under the plan to participating employees on 20 December 2022	170 562	-

Each participant was issued shares worth a monthly salary. The shares had a fair value of 181,324 USD on the grant date.

Note 9. Fees to the auditor

<u>USD '000</u>	<u>2022</u>	<u>2021</u>
Audit	123	57
Other assurance services	20	
Tax consultancy	70	30
Other services	76	95
Total	288	182

Note 10. Financial income

<u>USD '000</u>	<u>2022</u>	<u>2021</u>
Interest income	159	-
Interest income related to intercompany loans	0	-
Dividend from other entity (Equity method)	182	-
Exchange rate gain	169	-
Financial income	511	-



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 11. Financial expenses

USD '000	2022	2021
Interest expenses on long-term debt	1 760	1 156
Interest expenses related to leases	1 604	1 796
Interest expenses related to financing agreements	1 513	533
Other interest expenses	71	13
Exchange rate losses	825	68
Other financial expenses	558	187
Financial expenses	6 332	3 872

Note 12. Tax

USD '000	2022	2021
Tax on the results for the year	-96	84
Adjustments of tax regarding previous years	-3	-10
Tax for the year recognized in the income statement	-99	74

The majority of the Group's income tax base is located in Denmark, and therefore subject to the Danish tonnage tax scheme. The Group renewed its participation in the tonnage tax scheme on 1 January 2021, with a binding period of 10 years.

The Group did not own any vessels upon entering the tonnage tax scheme; consequently, the Group has no deferred, or contingent, taxes from the transitional period.

Under the tonnage tax scheme, income and expenses from shipping activities are not subject to direct taxation and accordingly an effective rate reconciliation has not been provided as it would not provide any meaningful information. Instead, the taxable income is calculated from:

- The net tonnage of the vessels used to generate the income from shipping activities
- A rate applicable to the specific net tonnage of the vessel based on a sliding scale

In 2022, the Group has recognised a deferred tax asset of USD 110 thousand (2021: USD 0). There are no unrecognised tax liabilities associated with investments in foreign subsidiaries and jointly controlled companies.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 13. Property, plant and equipment

USD '000	Vessels and dockings	Prepayments on vessels and dockings under construction	Property, plant and equipment	Total
Cost at 1 January 2022	232 378	-	5	232 383
Additions during the year	37 954	4 920	3	42 877
Additions through business combination	11 747			11 747
Disposals during the year	-10 048	-	-	-10 048
Transfer to/from other items	3 565	-3 565	-	-
Cost at 31 December 2022	275 597	1 355	8	276 960
Accumulated depreciations at 1 January 2022	-98 917	-	-1	-98 918
Disposals during the year	6 228	-	-	6 228
Depreciations for the year	-5 750	-	-	-5 750
Depreciations at 31 December 2022	-98 439	-	-1	-98 440
Write - downs at 1 January 2022	-98 286	-	-	-98 286
Reversal of write - downs for the year	2 621	-	-	2 621
Write - downs at 31 December 2022	-95 665	0	0	-95 665
Carrying amount at 31 December 2022	81 492	1 355	7	82 854

According to the Group's accounting policy, a write-down is made to the higher of the sales price (less costs to sell) and the value in use if there is an impairment indication.

As of 31 December 2022, Management assessed if any impairment indication exists for the Group's fleet. The fleet, including vessels chartered on time charter and bareboat charter agreements, is seen as one cash-generating unit (CGU). Following the assessment, Management has assessed that there is no impairment indication nor any indications for reversal of impairments.

During 2022, one vessel was sold to an external party and three vessels were acquired in the vessel-owning subsidiary Christianiaship A/S. Two more vessels were acquired as a part of business combination when the Group purchased shares in RF Tankers AS.

Furthermore, three vessels have been sold to third parties with repurchase options and obligations. The Group entered into lease contracts at the same time. These transactions have been treated as financing transactions.

Please refer to note 2 and 4 for further information.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 14. Leases

USD '000	2022	2021
Right-of-use assets		
Cost at 1 January	29 106	13 839
Additions during the year	54	15 267
Disposals during the year	-11 532	-
Cost at 31 December	17 628	29 106
Depreciation at 1 January	-2 524	-1 269
Depreciation during the year	-1 114	-1 255
Depreciation at 31 December	-3 638	-2 524
Carrying amount at 31 December	13 990	26 582

Lease liabilities

USD '000	2022	2021
Lease liabilities		
Within 1 year	932	1 896
Between 1 and 3 years	2 092	3 331
Over 3 years	10 845	21 477
Lease liability recognised		
Current	932	1 896
Non-current	12 937	24 808
Lease liability at 31 December	13 869	26 704

Amounts recognised in the income statement

USD '000	2022	2021
Depreciations charges of right-of-use assets	1 114	1 255
Interest expenses (included in financial expenses)	1 541	1 796
Expenses relating to short-term leases	14 784	11 630

The total cash outflow for leases in 2022 was USD 2.9 million (2021: USD 3.3 million).

The Group's leasing activities primarily consist of bareboat charter leases, which have a duration of up to ten years. Leasing arrangements are accounted for as described in note 2.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 15. Interests in other entities

RF Tankers II AS – associated company

On 18 March 2022, Eitzen Avanti purchased 2,500 shares in RF Tankers II AS for a total purchase price of USD 1 030 thousand, which were settled in cash. This represented a share ownership of 25%. Additional 12.5% were acquired during a "contribution in kind" taking place at 5 August 2022. Eitzen Avanti received 1 250 shares in RF Tankers II AS in exchange for 473 209 shares. The contribution in kind resulted in a capital contribution of USD 500 thousand in Eitzen Avanti AS.

In addition to RF Tankers the Group have a 50% ownership in SunChris Ship Management Pte.Ltd.

Both companies are recognized according to the equity method.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 16. Trade receivables

USD '000	2022	2021
Receivables from invoiced voyages	8 354	5 994
Receivables from voyages commenced at the balance sheet date	5 113	-
Provisions for bad debt	-50	-50
Trade receivables	13 417	5 944
Hereof:		
Not due	8 345	3 687
Overdue 1-90 days	5 010	2 307
Overdue more than 90 days	112	-
	13 467	5 994

The fair value of trade receivables approximates the carrying amount.

A provisioning account is used to reduce the carrying amount of receivables from sales and services whose value is impaired due to loss risk.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information. The credit risk is generally considered immaterial.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

Note 17. Other current receivables

USD '000	2022	2021
Prepaid expenses	3 841	2 062
Other receivables	709	979
Other current receivables	4 550	3 041



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 18. Cash and cash equivalents

USD '000	2022	2021
USD	16 170	4 428
EUR	12 605	902
NOK	1 133	24
DKK	211	112
Other currencies	60	7
Cash and cash equivalents	30 179	5 474
Hereof:		
Unrestricted	27 529	3 474
Restricted	2 650	2 000
	30 179	5 474

Note 19. Share capital

	Number of shares	USD '000
At 31 December 2020	15 000 000	221 683
At 31 December 2021	15 000 000	221 683
Shares issued with regards to debt conversion	3 138 377	40 898
Shares issued with regards to capital contribution	1 057 148	13 776
Shares issued with regards to contribution in kind	473 209	6 167
At 31 December 2022	19 668 734	282 523

Following the Board meeting held on 30 June 2022, the Company has increased share capital through debt conversion (3,138,377 shares issued), capital contribution (1,057,148 shares issued) and contribution in kind (473,209 shares issued). The Company's share capital was USD 282,523 on 31 December 2022. There were 19,668,734 outstanding shares, each with a par value of USD 0.0144.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 20. Long-term debt

USD '000	2022	2021
Current portion of non-current debt with maturities within 1 year	7 316	4 600
Non-current debt with maturities between 1 and 5 years	35 059	22 918
Non-current debt with maturities over 5 years	-	-
Total	42 375	27 518
Hereof:		
Loans denominated in USD with floating interest rate	42 375	27 518
Total	42 375	27 518

During 2022, the Group refinanced its loan facilities. The fair value of the loans approximates the carrying amount. Loan agreements, signed in July 2022 and September 2022, include financial covenants with respect to liquidity, equity ratio and working capital requirements. These requirements were met at the balance sheet date.

USD '000	31 December 2022	Loan related cost	Loan additions	Loan repayments	Acquisition RFTankers AS	31 December 2021
Bank loans	42 375	-296	42 600	-29 647	2 200	27 518
Loans from related parties	-	-	-	-3 751	-	3 751
Total	42 375	-296	42 600	-33 399	2 200	31 270

Note 21. Financing arrangements

In 2022, the Group has entered into sale-and-leaseback agreements. The Group has purchase options for the vessels and when the financing expires, the Group has a purchase obligation to acquire the vessels at an agreed value. The following finance arrangements have been established during 2022:

- The Group entered into a finance arrangement with Kyowa Shipping Corporation on 16 February 2022 to finance USD 7.2 million in connection with the sale-and-leaseback of Cathy Theresa.
- The Group entered into a finance arrangement with Ujigami Kaiun Co. Ltd. on 14 July 2022 to finance USD 12 million in connection with the sale-and-leaseback of Stella Theresa.
- The Group entered into a finance arrangement with Hisamoto Kisen Co. Ltd. on 19 September 2022 to finance USD 8.2 million in connection with the sale-and-leaseback of Sigrid Theresa.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Borrower	Lender	Financing 31.12.2022
Christiania Shipping A/S	Kyowa Shipping Corporation	6 476
Christiania Shipping A/S	Ujigami Kaiun Co. Ltd.	11 349
Christiania Shipping A/S	Hisamoto Kisen Co. Ltd.	8 005
Christiania Shipping A/S	Ross Chemicals AS	2 166
Christiania Shipping A/S	Wavefront Asset Management	331
ChristianiaShip A/S	Wavefront Asset Management	400
Total financing		28 727

In accounting for a financing arrangement, the Group continues to recognise the transferred assets and recognises a financial liability for the consideration received from lender. The financial liability is subsequently measured at amortized cost.

Note 22. Other current liabilities

USD '000	2022	2021
Deferred income	4 214	2 988
Other payables	2 355	1 778
Liabilities to related parties	260	-
Current tax liabilities	11	50
Accrued expenses	29	-
Other current liabilities	6 869	4 816

Note 23. Changes in working capital

USD '000	2022	2021
Change in inventories	796	748
Change in trade receivables	7 473	361
Change in other receivables	833	341
Change in trade payables	1 582	-1 557
Change in other liabilities	922	-418
Change in deferred income	-1 226	-
Change in working capital excl. accrued interest and tax liabilities	10 380	-525



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 24. Unrecognised contingent assets and liabilities

The Group is not involved in any lawsuits involving claims against the Group. However, claims have been made against the Group regarding cargo claims. It is Management's opinion that the outcome of these disputes will not have any material impact on the Group's financial position, result or cash flow.

The Group is not involved in any lawsuits, disputes etc. involving claims from the Group against third parties.

The Group has not issued any guarantees.

Note 25. Mortgages and security

<u>USD '000</u>	<u>2022</u>	<u>2021</u>
Loans secured by mortgages in vessels	42 375	27 518
Carrying amount of vessels being mortgaged	54 605	32 137
Value of mortgages	42 375	27 518

The assets mortgaged as security relates to a loan facility of USD 42.4 million (2021: USD 27.5 million). Loans expire in July 2027 and September 2027, or when the vessels being mortgaged are disposed of, if earlier.

Note 26. Related party disclosures and transactions with related parties

Transactions with related parties

The related parties comprise the Executive Board, members of the Board of Directors, as well as their close relatives. Related parties also include companies in which the above-mentioned persons have significant interests as well as companies and foundations, which have direct or indirect considerable influence on the Group, or the Group has the same influence through shareholding. Remuneration to key management personnel is disclosed in note 6.

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

<u>USD '000</u>	<u>2022</u>
Payable to SunChris Ship Management Pte. Ltd.	82
Payable to Camillo Eitzen & Co AS	178
31 December 2022	260

All loans have been agreed on market terms.

Note 27. Financial risks

Due to the nature of Eitzen Avanti's operations, the Group is mainly exposed to risks relating to fluctuations in freight rates and bunker prices.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings:

31 December 2022 USD '000	Under 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Trade payables	7 452	-	-	-	7 472	7 472
Bank loans	7 316	7 316	27 743	-	42 375	42 375
Lease liability	932	1 009	3 384	8 547	13 872	13 869
Financing arrangements	2 678	3 050	10 668	12 538	28 934	28 727
Loans from related parties	-	-	-	-	-	-
Total	18 377	11 375	41 795	21 085	92 653	92 443

31 December 2021 USD '000	Under 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Trade payables	9 144	-	-	-	9 144	9 144
Bank loans	4 600	4 600	18 318	-	27 518	27 518
Lease liability	1 896	2 041	7 087	15 679	26 704	26 704
Financing arrangements	873	1 069	3 437	-	5 379	5 379
Loans from related parties	-	-	-	3 751	3 751	3 751
Total	16 512	7 710	28 842	19 431	72 496	72 495

Freight rates

USD '000	2022	2021
Sensitivity re. freight rates: Effect of 1% increase in freight rates (spot)		
Change in profit before tax	1 358	778
Change in equity	1 358	778

The Group's income is principally generated from voyages carried out by its fleet of vessels. As such the Group is exposed to volatility in the freight rates.

It is the Group's strategy to minimize its' to this risk by entering physical contacts with different duration, such as cargo contracts and time charters.

All things being equal and the extent the Group's vessels have not already been chartered out at fixed rates, a freight rate change of 1% would lead to the changes in profit and loss as shown above.

There have been no changes in the methods applied from previous periods.

Bunker prices

USD '000	2022	2021
Sensitivity re. bunker prices: Effect of 1% increase in bunker price		
Change in profit before tax	388	207
Change in equity	388	207



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

The Group's largest variable cost is fuel in the form of bunkers, and the total cost will therefore depend on the market price of bunkers. To reduce this risk the Group generally entering physical delivery contracts which make it possible to levy any changes in the bunker prices on the customer.

All things being equal, a price increase of 1% per ton of bunker oil (without subsequent changes in freight rates) would lead to the changes in profit and loss as shown above.

There have been no changes in the methods applied from previous periods

Categories of financial instruments

The carrying amounts for the Group's financial instruments are shown below:

USD '000	2022	2021
Cash and cash equivalents	30 179	5 450
Trade receivables	13 417	5 944
Financial assets measured at amortised cost	43 596	11 394
Loans	42 375	27 518
Lease liabilities	13 869	26 704
Financing arrangements	28 727	5 379
Trade payables	7 452	9 144
Debt to related parties	260	3 751
Financial liabilities measured at amortised cost	92 683	72 495

Note 28. Subsequent events

On 14 April 2023 The Group signed a letter of intent for the acquisition of two 13,000 dwt stainless steel vessels to be built at Murakami Hide yard in Japan for delivery in 4th quarter of 2025.

At the general meeting 12 January 2023 a proposal from the board of directors to distribute a dividend of USD 7 million was approved. The meeting also decided to change the company's name to Eitzen Avanti AS.

In June 2023, Eitzen Avanti AS acquired another 16% of the shares in RF Tankers. The total shareholding in RF Tankers is 70%.



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Parent company financial statements

Parent company income statement	44
Parent company balance sheet	45
Parent company statement of cash flow	47
Notes to the parent company financial statements	48



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Parent company income statement

1 January - 31 December

NOK	Note	2022	2021
Operating expenses			
Administrative expenses	2	-2 501 196	-622 680
Operating loss (EBIT)		-2 501 196	-622 680
Financial income and expenses			
Financial income		3 267 189	-
Dividend from subsidiary		226 722 183	-
Financial expenses		-8 584 600	-
Net financial items		221 404 772	-
Income/loss before tax		218 903 576	-622 680
Net income/loss		218 903 576	-622 680
Allocations			
Retained earnings	6	218 903 576	-622 680



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Parent company balance sheet

As at 31 December

NOK	Note	2022	2021
Non-current assets			
<i>Financial assets</i>			
Investment in associated companies	3	13 396 324	-
Investment in subsidiary	3	138 024 859	80 765 931
Investment in joint venture	3	22 828	22 828
Total financial assets		151 444 012	80 788 759
Total non-current assets		151 444 012	80 788 759
Current assets			
Short-term receivables from group companies		980 575	-
Provision for proposed dividend subsidiary		226 722 183	
Cash and cash equivalents		23 881 430	211 956
Total current assets		251 584 188	211 956
Total assets		403 028 199	81 000 715

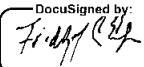


DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

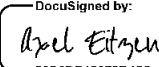
Parent company balance sheet

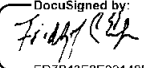
As at 31 December

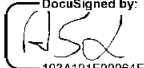
NOK	Note	2022	2021
Equity			
<i>Paid-in capital</i>			
Share capital	4, 6	2 556 935	1 950 000
Share premium reserve	6	130 011 314	81 382 873
Total paid-in capital		132 568 249	83 332 873
<i>Retained earnings</i>			
Accumulated deficit	6	215 432 320	-3 471 257
Total retained deficit		215 432 320	-3 471 257
Total equity		348 000 569	79 861 616
Liabilities			
<i>Non-Current liabilities</i>			
Long-term debt to group companies		53 313 483	-
Total non-current liabilities		53 313 483	-
<i>Current liabilities</i>			
Other short-term liabilities with group companies		1 139 090	1 086 480
Account payables		6 384	52 610
Other short-term liabilities		568 673	9
Total current liabilities		1 714 147	1 139 099
Total liabilities		1 714 147	1 139 099
Total equity and liabilities		403 028 199	81 000 715

DocuSigned by:

ED7B13E3E92146B...
Fridtjof Camillo Eitzen
Chief Executive Officer

Board of Directors

DocuSigned by:

56B0DE45072D45C...
Axel Camillo Eitzen
Chairman

DocuSigned by:

ED7B13E3E92146B...
Fridtjof Camillo Eitzen
Board member

DocuSigned by:

103A191F00064F8...
Axel Stove Lorentzen
Board member



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Parent company statement of cash flow

1 January - 31 December 2022

NOK	Note	2022	2021
Cash flow from operating activities			
Profit/(loss) before tax		218 903 576	-622 680
Adjusted for recognised proposed, not paid dividend		-226 722 183	
Changes in receivables and payables		-46 226	52 610
Effect of exchange fluctuations and other items		7 439 098	113 166
Changes in other current balance sheet items		-1 640 258	554 487
Net cash flow from operating activities		-2 065 992	97 583
Cash flow from investing activities			
Investments in subsidiaries		-35 498 011	
Investments in associated companies		-8 991 282	-
Repayment from associated company		630 264	
Repayment from joint venture		1 751 547	
Repayment from subsidiary		11 686 572	
Net cash flow from investing activities		-30 420 910	-
Cash flow from financing activities			
Loan raised		45 007 965	
Repayment of loans			
Capital increase		11 148 411	-
Net cash flow from financing activities		56 156 376	-
Net change in cash and cash equivalents		23 669 474	97 583
Effects from exchange			
Cash and cash equivalents at 01.01.		211 956	114 373
Cash and cash equivalents at 31.12.		23 881 430	211 956



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 1. Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act and Norwegian generally accepted accounting principles. The company was established on 4 October 2017.

The company acquired 100% the shares in Christiania Shipping A/S in 2018. The annual report for 2022 include the annual accounts for the parent company Eitzen Avanti AS. Group account are presented separately.

Classification and valuation of balance sheet items

Net current assets and liabilities include items due within one year after the balance sheet date. Other items are classified as non-current assets/non-current liabilities.

Non-current assets are valued at cost of acquisition, and written down to fair value if impairment is not expected to be temporary.

Investment in subsidiary and joint venture

Investment in subsidiary and joint venture is valued at cost in the company accounts. The value is written down

to fair value if there is any impairment that cannot be considered temporary and it is deemed necessary by generally accepted accounting rules. The impairment loss is reversed if the reason for impairment no longer exists.

Income tax

Tax expense comprises both current tax and deferred tax. Deferred tax/tax assets is calculated based on the differences between accounting values and tax values of assets and liabilities. Deferred tax is calculated at 22% of the net temporary differences between accounting and tax values, as well as the tax loss carry forwards at the end of the financial year. A net deferred tax asset is recognised to the extent that it is likely that it can be utilised.

Note 2. Wages, number of employees, remuneration, loans to employees and auditor's fee

There is no board remuneration in 2022.

The fee to the auditor were in total NOK 643,200, of which NOK 276,000 is audit fee, NOK 189,100 is other assurance services and NOK 178,100 other services.

NOK	2022	2021
Salaries	1 701 567	-
Social security tax	263 548	-
Pension cost	167 571	-
Other benefits	-	-
Total employee costs	2 132 686	-

CEO was in 2022 paid directly by Christine Shipping A/S. Eitzen Avanti AS pays no remuneration to CEO



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Note 3. Investments in subsidiary and joint venture and associated companies

Company	Acquisition date	Country of incorporation	Nature of investment	2022			
				Net profit	Equity	Cost price	Ownership
Christiania Shipping A/S	29.01.2018	Denmark	Subsidiary	384 926 083	460 919 259	113 862 547	100% *
RF Tankers AS	17.03.2022	Norway	Subsidiary	3 264 712	29 212 068	24 162 313	54% *
SunChris Ship Management Pte. Ltd.	08.11.2019	Singapore	Joint venture	2 918 722	49 287	22 828	50% *
RFTankers II AS	18.03.2022	Norway	Associate	1 291 426	34 643 244	13 396 324	37,5% *

* The proportion of ownership interest is the same as the proportion of voting rights held.

In November 2019, SunChris Ship Management Pte. Ltd. (Company Registration No. 200506670K) was incorporated in the Republic of Singapore as a joint venture operation between Eitzen Avanti AS and Suntech Ship Management Pte. Ltd.

On 17 March 2022, in accordance with the Share Purchase Agreement (SPA) Eitzen Avanti AS purchased 540 shares in RFTankers AS, a Company owning the two 5,800 dwt chemical vessels Azra-S and Ozden-S. The vessels will be on T/C to Christiania Shipping A/S. This transaction gives Eitzen Avanti AS 54% ownership of the entity. RFTankers AS is fully consolidated into the Eitzen Avanti financial statements as of 17 March 2022.

By two separate transactions during 2022 (18 march 2022 and 5 august 2022), Eitzen Avanti AS aquired 37.5% ownership percentage (reference Shareholders register dated 8 August 2022) of RFTankers II AS, a company owning the 3,500 dwt chemical vessel Sude-S. The vessel is on T/C to Christiania Shipping A/S.

Note 4. Share capital and shareholder information

	Number of shares	Book value
At 31 December 2020	15 000 000	1 950 000
At 31 December 2021	15 000 000	1 950 000
Shares issued with regards to debt conversion	3 138 377	407 989
Shares issued with regards to capital contribution	1 057 148	137 429
Shares issued with regards to contribution in kind	473 209	61 517
At 31 December 2022	19 668 734	2 556 935



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Shareholders per 31.12.2022:	Ordinary shares	Ownership share	Voting rights
Eitzen Rederi *	6 362 099	32,35 %	32,35 %
Axel Camillo Eitzen	4 523 065	23,00 %	23,00 %
Supna Maritime Pte. Ltd	2 223 505	11,30 %	11,30 %
TBS	1 511 824	7,69 %	7,69 %
L.H.G.J Holding Ap	929 364	4,73 %	4,73 %
Ollimac**	835 396	4,25 %	4,25 %
Catincho	619 178	3,15 %	3,15 %
Camillo Eitzen & Co*	561 256	2,85 %	2,85 %
ASL Holding	506 927	2,58 %	2,58 %
Nina Eitzen	422 440	2,15 %	2,15 %
Carolus As	407 956	2,07 %	2,07 %
IFG Holding	279 586	1,42 %	1,42 %
Torben Larsen	141 043	0,72 %	0,72 %
Lars Mailund Mikkelsen	103 591	0,53 %	0,53 %
Nini Anne Wallendahl Eitzen	30 000	0,15 %	0,15 %
Snorre Krogstad	23 813	0,12 %	0,12 %
Other	187 691	0,95 %	0,95 %
Total	19 668 734	100,00 %	100,00 %

* Controlled by Axel Camillo Eitzen

** Controlled by Fridtjof Camillo Eitzen

Capital increase dated 21.07.2022 (Board resolution signed 30.06.2022).

A contribution of NOK 49 235 376 29 were accepted, out of which NOK 606 935.42 is towards share capital and NOK 48 628 440.87 towards share premium, by issuing 4 668 734 new shares.

Note 5. Taxation

Items affecting the tax expense	2022	2021
Ordinary loss before tax	-7 818 607	-622 680
Tax base	-7 818 607	-622 680

Specification of temporary differences	2022	2021
Accumulated loss carried forward	-11 289 863	-3 471 257
Net temporary differences at 31.12.	-11 289 863	-3 471 257
Unrecognised deferred tax assets	11 289 863	3 471 257
Total	-	-

Note 6. Equity

	Share capital	Share premium reserve	Retained earnings	Total
Equity 01.01.2022	1 950 000	81 382 873	-3 471 257	79 861 616
Capital increase	606 935	48 628 441	-	49 235 376
Profit for the year	-	-	218 903 576	218 903 576
Equity 31.12.2022	2 556 935	130 011 314	215 432 319	348 000 569



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Statement by the Board of Directors and Executive Management

The Board of Directors and the Executive Management have today considered and approved the consolidated financial statements of Eitzen Avanti AS for the financial year 1 January to 31 December 2022.

The consolidated financial statements and the parent financial statements are prepared in accordance with International Financial Reporting Standards as approved by the EU and additional requirements stated in the Norwegian Financial Statements Act.

In our opinion, the consolidated financial statements give a true and fair view of the financial position as of

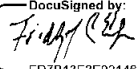
31 December 2022 for the Group and the Group's operations as well as cash flow for the financial year 2022.

In our opinion, the Board of Directors Report provides a fair review of the development in the operations and financial circumstances of the Group, of the results for the year and of the financial position of the Group as well as a description of the most significant risks and elements of uncertainty that the Group is facing.

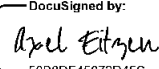
We recommend that the annual report be adopted at the annual general meeting.

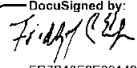
Oslo, 28 June 2023


Executive Management

DocuSigned by:

E0781253F82146B
Fridtjof Camillo Eitzen
Chief Executive Officer

Board of Directors

DocuSigned by:

50B0DE45072D45C
Axel Camillo Eitzen
Chairman

DocuSigned by:

E0781253F82146B
Fridtjof Camillo Eitzen
Board member

DocuSigned by:

103A191F0064F8
Axel Stove Lorentzen
Board member



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Independent Auditor's Report



To the General Meeting of Eitzen Avanti AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Eitzen Avanti AS, which comprise:

- the financial statements of the parent company Eitzen Avanti AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Eitzen Avanti AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of changes in equity and statement 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 comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

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 and the Group as required by 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.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02318, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13



In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Otdo, 28 June 2023
PricewaterhouseCoopers AS

Siri Holseter
State Authorised Public Accountant



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Definitions and glossary

Definitions and Glossary

Key figures and key ratios are defined and calculated in accordance with the Danish Association of Financial Analyst's "Recommendations and Financial Ratios".

Key ratios	Calculation formula	Comments
TCE-margin (%)	$\frac{\text{TCE earnings}}{\text{Revenue}}$	The key figure reflects the percentage of revenue, minus voyage related costs that cover capacity costs, net financing costs, taxes and profit.
EBITDA-margin (%)	$\frac{\text{EBITDA}}{\text{Revenue}}$	The key figure reflects the entity's operational profitability.
EBIT-margin (%)	$\frac{\text{EBIT}}{\text{Revenue}}$	The key figure reflects the entity's true business costs.
Return on Invested Capital (%)	$\frac{\text{EBITA}}{\text{Avg. invested capital}}$	The key figure reflects the entity's ability to generate return on invested capital through operations.
Return on Equity (%)	$\frac{\text{Result of the year}}{\text{Avg. equity}}$	The key figure reflects an entity's ability to generate returns to shareholder when taking into account the entity's capital base.
Equity ratio	$\frac{\text{Net interest-bearing debt}}{\text{Equity}}$	The key figure reflects the financial gearing of the entity, expressed as the sensitivity to fluctuations in interest rates, etc. A high financial gearing translates into a high financial risk.

Non-GAAP measures

Time charter equivalent earnings = Net freight income – Voyage related expenses



DocuSign Envelope ID: 28D6F2F3-986A-4C78-8D9F-33FB38E4EA13

Company information

Eitzen Avanti AS

Stortingsgata 20

0161 Oslo

Registration no. 919 737 476

Board of Directors and Management

BOARD OF DIRECTORS – Eitzen Avanti AS

- Axel Camillo Eitzen
Board member since January 2018, Chairman since January 2023
- Fridtjof Camillo Eitzen
Board member since December 2020
- Axel Stove Lorentzen
Board member since December 2020
- Snorre Schie Krogstad
Board member since December 2020 (resigned from the Board of Directors on 28 February 2022)

KEY MANAGEMENT PERSONNEL

- Fridtjof Camillo Eitzen – Chief Executive Officer
Employed January 2023
-
- Snorre Schie Krogstad
Employed March 2022



Skatteetaten

Vår dato 20.06.2019	Din/Deres dato 23.04.2019	Saksbehandler Henning Stokke
800 80 000 Skatteetaten.no	Din/Deres referanse Trond Dolvik	Telefon 800 80 000
Org.nr 974761076	Vår referanse 2019/6010503	Postadresse Postboks 9200 Grønland 0134 OSLO

ANE SHIPPING AS
Tyveholmen Kontorfellesskap
0252 OSLO

Tillatelse til å utarbeide årsberetning og årsregnskap på engelsk språk for Ane Shipping AS, org.nr. 919 737 476

Vi viser til deres brev av 23. april 2019 og e-post av 12. juni 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Ane Shipping AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Ane Shipping AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge 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 søknad av 23. april 2019 gjengis:

Ane Shipping AS er et holdingselskap uten annen virksomhet enn å eie aksjer i datterselskapet Christiania Shipping AS. Dette selskapet driver rederivirksomhet med marked i Europa og Vest-Afrika. Datterselskapet operer i en internasjonal bransje der engelsk er arbeidsspråket. Hoveddelen av selskapets kunder er utenlandske og kommunikasjonen foregår i det vesentligste på engelsk.

Datterselskapet utarbeider konsernregnskap på engelsk etter internasjonale regler, IFRS. All informasjon publiseres på engelsk på datterselskapets hjemmeside og via andre kanaler. Siden konsernets virksomhet er internasjonal og det i tillegg vil medføre uforholdsmessig mye merarbeid å utarbeide regnskapet på norsk, søker Ane Shipping AS om å kunne utarbeide selskaps- og konsernregnskapet på engelsk.

Fra e-post av 12. juni 2019 gjengis:

Eiere

Ane Shipping AS, org.nr. 919737476, er et norsk aksjeselskap eiet av flere norske aksjeeiere.



Største eiere er Eitzen Rederi AS, Castel AS og Seahorse ANE Invest AS som til sammen eier ca 84 % av aksjene i selskapet og er representert i styret. Investorene er profesjonelle investorer. Ane Shipping AS eier Christiania Shipping AS, dansk aksjeselskap, 100 %. Christiania Shipping AS er et shippingselskap med ca 20 kjemikalie skip. Selskapet har inntekter i størrelsesorden MUSD 90 og en totalbalanse på MUSD 52,7. Christiania Shipping AS har utarbeidet konsernregnskap på engelsk etter IFRS. Ane Shipping AS som morselskap må også utarbeide konsernregnskap, for første gang, da selskapet kjøpt Christiania Shipping AS i 2018.

AS eller ASA

Selskapene som søker er aksjeselskaper, AS.

Kunder

Konsernets marked er Europa og Vest-Afrika. Hoveddelen av konsernets kunder er utenlandske og kommunikasjonen foregår i det vesentligste på engelsk, men også noe fransk.

Bransje

Konsernet driver i en internasjonal bransje, shipping, der engelsk er arbeidsspråket. Språket internt i selskapet er på engelsk og all rapportering og kommunikasjon er på engelsk. Alle internasjonale selskaper avlegger regnskaper etter IFRS og på engelsk.

Hjørnesteinsbedrift

Selskapet kan ikke betraktes som en hjørnesteinsbedrift.

Andre brukere av regnskapet

Den internasjonale bransjen shipping krever at alle regnskaper utarbeides etter IFRS og på engelsk slik at bransjen har sammenlignbare tall. Videre vil det være av stor betydning for kreditorer som finansinstitusjoner, leverandører samt kunder å kunne innhente opplysninger om konsernet på engelsk da disse i hovedsak er lokalisert i utlandet.

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.

Som nevnt ovenfor er 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. I tillegg opererer konsernet i en internasjonal bransje, hvor arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Inger Helene Iversen
seniorrådgiver
Juridisk avdeling
Skattedirektoratet

Henning Stokke

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.