



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 993 452 009
Organisasjonsform: Aksjeselskap
Foretaksnavn: SKS TANKERS HOLDING AS
Forretningsadresse: Zander Kaaes gate 7
5015 BERGEN

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Jan Håvard Faye Vågsholm
Dato for fastsettelse av årsregnskapet: 14.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 19.04.2023



Resultatregnskap

Beløp i: USD	Note	2021	2020
RESULTATREGNSKAP			
Kostnader			
General and administrative expenses	3,4,5	193 000	12 000
Sum kostnader		193 000	12 000
Driftsresultat		-193 000	-12 000
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	3	59 000	
Sum finansinntekter		59 000	
Nedskrivning av finansielle eiendeler	6	92 800 000	17 720 000
Rentekostnad til foretak i samme konsern	3	243 000	
Annen finanskostnad	7	2 000	
Sum finanskostnader		93 045 000	17 720 000
Netto finans		-92 986 000	-17 720 000
Ordinært resultat før skattekostnad		-93 179 000	-17 732 000
Skattekostnad på ordinært resultat		153 000	-3 000
Ordinært resultat etter skattekostnad		-93 332 000	-17 729 000
Årsresultat		-93 332 000	-17 729 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		-93 332 000	-17 729 000
Sum overføringer og disponeringer		-93 332 000	-17 729 000



Balanse

Beløp i: USD	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	8		5 000
Sum immaterielle eiendeler			5 000
Finansielle anleggsmidler			
Investering i datterselskap	6	182 972 000	195 727 000
Sum finansielle anleggsmidler		182 972 000	195 727 000
Sum anleggsmidler		182 972 000	195 732 000
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer	9	25 000	1 000
Konsernfordringer	3	20 714 000	
Sum fordringer		20 739 000	1 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	10	34 000	72 000
Sum bankinnskudd, kontanter og lignende		34 000	72 000
Sum omløpsmidler		20 773 000	73 000
SUM EIENDELER		203 745 000	195 805 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	11	187 016 000	186 900 000
Overkurs		-77 861 000	8 901 000
Sum innskutt egenkapital		109 155 000	195 801 000



Balanse

Beløp i: USD	Note	2021	2020
Sum egenkapital		109 155 000	195 801 000
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Kortsiktig konserngjeld	3	94 499 000	
Annen kortsiktig gjeld	12	91 000	4 000
Sum kortsiktig gjeld		94 590 000	4 000
Sum gjeld		94 590 000	4 000
SUM EGENKAPITAL OG GJELD		203 745 000	195 805 000



To the General Meeting of SKS Tankers Holding AS

Independent Auditor's Report

Opinion

We have audited the financial statements of SKS Tankers Holding AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement, statement of comprehensive income, 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, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

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 as required by laws and regulations 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. 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.

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

PricewaterhouseCoopers AS, Sandviksbodene 2A, Postboks 3984 - Sandviken, NO-5835 Bergen
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - SKS Tankers Holding AS



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 legal 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 simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Bergen, 7 March 2022
PricewaterhouseCoopers AS

Fredrik Gabrielsen
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Gabrielsen, Fredrik	BANKID_MOBILE	2022-03-16 08:28

This document package contains:

- Closing page (this page)
- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



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DIRECTORS' REPORT 2021

SKS TANKERS HOLDING AS (the Company)

Business summary

SKS Tankers Holding AS (the "Company") is fully owned by Kristian Gerhard Jebsen Skipsrederi AS (KGJS). The Company is located in Bergen, Norway.

The Company fully owns a number of subsidiaries within the KGJS tanker segment. Through these investments, the Company currently owns one Suezmax tanker of 159 000 dwt. (SKS S-class) and a 50% ownership in ten product carriers of 120 000 dwt. (SKS D-class) through a joint venture.

For the S-class vessel, the commercial services are delivered by KGJS. The SKS D-class vessels are commercially operated by SKS Pool AS through pool agreements. SKS Pool AS is fully owned by the Company. Administrative services are delivered by KGJS. Technical management is provided by OSM Bergen Tank AS.

Result

The net loss for 2021 was USD 93.3 mill. compared to a net loss of USD 17.7 mill. in 2020. The net losses were significantly impacted by impairment on non-current financial assets of USD 92.8 mill. in 2021 and USD 17.7 mill. in 2020.

The variance between the result and the cash flow from operating activities is due to the impairment of non-current assets.

The board recommends that the Company's net loss of USD 93.3 mill. is transferred to share premium.

Investments

Total investments in non-current assets amounted to USD 183.0 mill. at the end of 2021.

On 10 December, subsidiaries of the Company completed a combined transaction for the sale of 10 product tankers of 120 000 dwt. to newly established joint venture companies (SKS Tankers) owned by two subsidiaries of SKS Tankers Holding AS. The joint venture partner is Greentankers Holding Ltd., a company owned by Hayfin Capital Holdings Ltd. The value of the investment in SKS Tankers is recognised in the Company as Investment in subsidiaries and the combined value of the investment as per 31 December 2021 was USD 73.5 million.

Liquidity and financing

The Company aims to have adequate liquidity in the form of cash and/or available credit facilities at all times. At the end of 2021, the cash reserve was USD 0.04 mill.

Going concern

The annual financial statements are prepared and presented based on a going concern assumption as described in clause 3.3 in the Norwegian Accounting Act and give a true and fair view of the Company's assets and liabilities, financial position and results. Based on available cash and projected cash flow, it is the Board's opinion that the Company is in a good financial standing.

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Risks

The risks that the Company is exposed to can generally be divided into three main categories: industry and market-related risks, operational risks and financial risks. Industry, market and operational risks relate indirectly to its revenues. Financial risks consist primarily of interest and currency rate exposure.

Insurance

The Company has a Directors and Officers insurance in place. The insurance covers liability for financial loss of third parties due to neglect, error or omissions from any directors and officers of the Company in their capacity of such position. The insurance does not cover damage to persons or property.

Annual renewal of the Directors and Officers insurance is in January each year and next renewal is in January 2023.

Quality, health, safety and environment

Vessel operation in general can potentially cause pollution or other incidents. The Company's subsidiaries have invested in vessels equipped in accordance with international rules and regulations. The management of the vessels focuses on reducing risks with the use of qualified personnel and well-developed routines.

The Company has no employees.

Outlook

The shipping industry continues to be affected by the Covid-19 pandemic in numerous ways, including severe restrictions for the world fleet to carry out required crew changes. Notwithstanding ongoing vaccination of seafarers, such restrictions lead to heavy burdens on seafarers and the entire maritime supply chain. The Group is engaged in several initiatives to alleviate this situation.

The world economy continues to recover as a result of increased vaccination rates and fewer restrictions on mobility. Central banks continue to stimulate economic activity. A positive development is expected to continue in the near term, however increasing inflation, geopolitical tensions, and new outbreaks of Covid-19 may pose risks to further global economic recovery.

Despite an improvement in global oil demand, tanker markets are expected to remain weak until a rebalancing of global oil markets. A gradual improvement may be expected as crude oil production and refinery output increases in accordance with improved demand. Fleet growth is expected to slow down in 2022 compared to previous years for crude and product tankers. Considering the age profile of the current tanker fleet, as well as new regulatory requirements entering into force in 2023, there is potential for increased phase out of older tankers which may improve the tanker market balance.

Volatility is expected to remain high in the tanker and dry bulk markets, including the price of vessel fuels.

Future regulations for reducing Greenhouse Gas (GHG) emissions may have a significant impact on freight markets and trading patterns for all segments of the shipping industry. The Group is following these developments closely and considers itself well prepared to handle new environmental requirements.



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Currently, it is difficult to assess the impact the Russian-Ukrainian conflict will have on the shipping industry, and particularly the tanker markets. The Company is monitoring the development closely.

Bergen, 7 March 2022

The board of directors of
SKS Tankers Holding AS

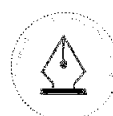
Hans Petter Høegh
Board member

Hans Peter Jebsen
Chairman

Jarle Haugsdal
Board member

Geir Bruvik Mjelde
CEO

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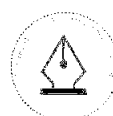
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SKS TANKERS HOLDING AS

STATEMENT OF CASH FLOWS

		31 December 2021	31 December 2020
	Notes	USD 000	USD 000
Cash flows from operating activities:			
Net income/(loss) before tax.....		- 93 179	- 17 732
Impairment losses/(Reversal of impairment losses).....	6	92 800	17 720
Changes in intercompany receivables/payables.....	3	- 20 714	0
Changes in other current assets/liabilities.....		63	0
Net cash provided by operating activities.....		<u>- 21 030</u>	<u>- 11</u>
Cash flows from investing activities:			
Investments in tangible assets.....	6	- 80 045	- 13
Net cash provided by/(used in) investing activities.....		<u>- 80 045</u>	<u>- 13</u>
Cash flows from financing activities:			
Loans from group companies.....	3	94 499	0
Capital contribution.....	11	6 538	0
Net cash provided by/(used in) financing activities.....		<u>101 037</u>	<u>0</u>
Net increase/(decrease) in cash and cash equivalents.....		- 38	- 24
Cash and cash equivalents at beginning of year.....	10	72	97
Cash and cash equivalents at end of year.....	10	<u>34</u>	<u>72</u>



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Skattedirektoratet

Saksbehandler
Rune Tystad

Telefon
977 59 464

Dergs.dato
18.11.2011

Deres referanse
Nicholas Nunn

Vår dato
28.11.2011

Vår referanse
2011/1133256

Kristian Gerhard Jebsen Skipsrederi AS
Folke Bernadottes vei 38
5147 FYLLINGSDALEN

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for Kristian Gerhard Jebsen Skipsrederi AS med datter- og datterdatterselskaper

Det vises til deres brev av 18. november 2011 til Finansdepartementet hvor søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskapet:

Kristian Gerhard Jebsen Skipsrederi AS (konsern), org.nr. 914 530 393
KGJ Cement AS, org.nr. 892 749 132
Cement Shipinvest AS, org.nr. 987 625 295
SKS Obo & Tankers AS, org.nr. 930 197661
KGJS Tank AS, org.nr. 952 969 560
SKS Tankers Holding AS, org.nr. 993 452 009
Norship AS, org.nr. 936 101 283

Da Finansdepartementets kompetanse etter regnskapsloven § 3-4 tredje ledd annet punktum er delegert til Skattedirektoratet, er søknaden oversendt oss for behandling.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Kristian Gerhard Jebsen Skipsrederi AS med datter- og datterdatterselskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Bakgrunn

Kristian Gerhard Jebsen Skipsrederi AS er et internasjonalt konsern som har som hovedbeskjeftigelse å eie og drive skip herunder utføre administrative oppgaver som befraktning, operasjon og teknisk drift. Det er på telefon opplyst at selskapet er eid av Pyne Ltd med 61,2 %, Tom Dahl AS med 30,8 % og Stiftelsen Kristian Gerhard Jebsen med 8 %. Selskapene det søkes om dispensasjon for foruten morselskapet Kristian Gerhard Jebsen Skipsrederi AS, er alle direkte eller indirekte 100 % eid av morselskapet. Det er opplyst at konsernets arbeidsspråk er engelsk. Konsernet utarbeider i dag årsregnskaper både på norsk og engelsk for en rekke av sine datterselskaper. Konsernet er av internasjonal karakter innenfor skipsfart og dette innebærer at selskapet må utarbeide engelsk versjon av konsernregnskapet samt for en rekke tilhørende datterselskaper for å tilfredsstille kravene til sine bankforbindelser, kunder, leverandører etc. De norske versjonene utarbeides kun for å tilfredsstille regnskapsloven.

Postadresse

Postboks 9200 Grønland
0134 Oslo

For elektronisk henvendelse se www.skatteetaten.no

Besøksadresse

Se www.skatteetaten.no
Org. nr: 996250318

Sentralbord

800 80 000
Telefaks

22 17 08 60

**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.”

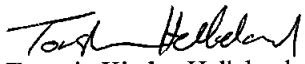
Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

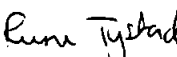
Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at konsernet er av internasjonal karakter innenfor skipsfart og at dette innebærer at selskapet må utarbeide engelsk versjon av konsernregnskapet samt for en rekke tilhørende datterselskaper for å tilfredsstille kravene til sine bankforbindelser, kunder, leverandører etc. Det er videre lagt vekt på at konsernets arbeidsspråk er engelsk.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

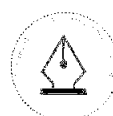

Rune Tystad



SKS TANKERS HOLDING AS

STATEMENT OF CHANGES IN EQUITY

	Share capital USD 000	Share premium USD 000	Total equity USD 000
Equity at 31.12.2020.....	186 900	8 901	195 801
Net income/(loss) 2021.....	0	- 93 332	- 93 332
Capital contribution.....	116	6 422	6 538
Capital contribution.....	0	149	149
Equity at 31.12.2021.....	187 016	- 77 861	109 155



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SKS TANKERS HOLDING AS

NOTES TO THE FINANCIAL STATEMENTS

1. General information

SKS Tankers Holding AS (the "Company") is fully owned by Kristian Gerhard Jebsen Skipsrederi AS ("KGJS"). KGJS presents consolidated financial statements, which include the financial statements of the Company. The Company is located in Bergen, Norway.

The Company fully owns a number of subsidiaries within the KGJS tanker segment. Through these investments, the Company currently owns one Suezmax tanker of 159 000 dwt. (SKS S-class) and a 50% ownership in ten product carriers of 120 000 dwt. (SKS D-class) through a joint venture. For the S-class vessel, the commercial services are delivered by KGJS. The SKS D-class vessels are commercially operated by SKS Pool AS through pool agreements. SKS Pool AS is fully owned by the Company. Administrative services are delivered by KGJS. Technical management is provided by OSM Bergen Tank AS.

On 10 December, subsidiaries of the Company completed a combined transaction for the sale of 10 product tankers of 120 000 dwt. to newly established joint venture companies (SKS Tankers) owned by two subsidiaries of SKS Tankers Holding AS. The joint venture partner is Greentankers Holding Ltd., a company owned by Hayfin Capital Holdings Ltd.. The value of the investment in SKS Tankers is recognised in the Company as Investment in subsidiaries and the combined value of the investment as per 31 December 2021 was USD 73.5 million.

2. Accounting principles

a. Basis of preparation

The Company prepares its financial statements according to "Simplified International Financial Reporting Standards" (IFRS) as dealt with in The Norwegian Accounting Act and Regulations dated 18 December 2020. This principally implies that all calculations and measurement methods are carried out in accordance with IFRS, while presentation and notes follows the Norwegian Accounting Act and Norwegian GAAP. The Company employs the simplifying rules relating to dividends and group contributions as regulated in The Norwegian Accounting Act.

The accounting year equals the calendar year and the items of the income statement are classified by their nature.

b. Changes in accounting principles and errors

The impact of changes in accounting principles and correction of significant errors in previous annual accounts are reported directly to equity. Comparative figures are revised accordingly.

c. Currency

The financial statements are presented in US Dollars (USD) as the Company operates in an international market where the functional currency is USD. Transactions in non-USD currencies are recorded at the exchange rate on the date of the transaction. Monetary items and debt in non-USD currencies are converted to USD at the rate of exchange prevailing at the reporting date. Currency gains and losses are recognised on the income statement classified as financial items.

d. Long term shareholding and other shares

Subsidiaries and other long-term shareholdings are recorded in the Company using the cost method. Investments are tested regularly for impairment and written down to fair value.

e. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable. Accounting estimates are employed in the financial statements to

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SKS TANKERS HOLDING AS

NOTES TO THE FINANCIAL STATEMENTS

determine reported amounts, including the useful life and disposal value of vessels. Actual results could differ from those estimates.

f. Classification of assets and liabilities

Assets are classified as current assets when:

- the asset is expected to be disposed of or consumed within 12 months of the reporting date
- the asset is held for trading
- the asset is cash or cash equivalents, except for items having restrictions to be exchanged within 12 months of the reporting date.

All other assets are classified as non-current assets.

Liabilities are classified as current liabilities when:

- the liability is expected to be settled within 12 months of the reporting date
- the liability is held for trading
- the Company does not have an unconditional right to postpone settlement of the liability until at least 12 months after the reporting date.

All other liabilities are classified as non-current liabilities.

g. Segments

A business segment provides services that are subject to risks and returns that are different from those of other business segments.

The Company's primary reporting format is based on the Company's internal reporting having the following two main business segments:

- LR2/Aframax
- Suezmax

The Company's management does not evaluate performance by geographical region as the ships sail on a worldwide basis.

h. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Interest income is recognised in the income statement during the period in which it is earned.

Dividends from subsidiaries and group contributions are recorded as appropriations in the same year as proposed.

i. Taxes

The current income tax charge is calculated on the basis of the tax laws enacted or principally enacted at the reporting date. Management periodically evaluates the tax positions with respect to situations in which applicable tax regulations are subject to interpretation and on this basis establishes provisions for payable tax amounts.

Deferred income tax is provided for all temporary variances arising between the tax bases of assets and liabilities compared to the carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary variances can be utilised.

Both payable tax and deferred tax are recognised directly in equity, to the extent they relate to items recognised directly in equity. In cases where the equity transaction is considered a distribution and the source of the distribution is earlier years' net profit, the tax effect of the distribution should be recognised as tax expense in the year in which the distribution is recognised.

j. Impairment of assets

Assets that are subject to depreciation are reviewed for impairment at each reporting date, or when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Fair value reduced by estimated sale costs is made up of an attainable sale price less expenses to an independent third party. The recoverable amount is calculated for each cash-generating unit (CGU).

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses which are reported in previous years' income statement are reversed when succeeding events indicates that the cause of the write down is no longer valid. The reversal is classified in income statement as an impairment reversal. The increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years.

k. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The Company's financial assets are: trade receivables and cash and cash equivalents. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Company initially measures a financial asset at its fair value plus transaction costs.

The Company classifies its financial assets in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Equity instruments at fair value through other comprehensive income
- Derivatives at fair value through income statement

Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held with the objective to collect contractual cash flows and,
- The contractual terms of the financial asset give rise to cash flows as payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in income statement when the asset is derecognised, modified or impaired.

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The Company's financial assets at amortised cost includes trade receivables and other current deposit. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Financial assets at fair value through other comprehensive income

The Company measures debt instruments at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held with the objective of both collecting contractual cash flows and selling, and,
- The contractual terms of the financial asset give rise to cash flows as payments of principal and interest on the principal amount outstanding

For debt instruments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses/reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is reclassified to income statement.

The Company currently holds no investments in quoted instruments which would classify under this category.

Equity instruments at fair value through other comprehensive income

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 Financial Instruments. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never reclassified to income statement. Dividends are recognised as other financial income in the income statement when the right to receive payment arise. Dividends representing a recovery of part of the cost of the financial asset are instead recorded as other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

The Company currently holds no non-listed equity investments which would classify under this category.

Derivatives at fair value through income statement

Derivatives are recognised in the balance sheet at their fair value. Changes in the fair value are currently recorded in the income statement in the period in which the change in fair value occurs. Classification depends on the nature of the derivative.

The Company currently holds no derivatives which would classify under this category.

Derecognition of financial assets

A financial asset or a part of a financial asset/group of similar financial assets is derecognised when:

- The right to receive cash flows from the asset have expired, or
- The Company has transferred its rights or has assumed an obligation to pay the received cash flows in full to a third party; and either
 - I. the Company has transferred substantially all the risks and rewards of the asset, or
 - II. the Company has transferred control of the asset

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Financial liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables or as derivatives. Derivatives are recognised initially at fair value. Loans, borrowings and payables are recognised at fair value net of directly attributable transaction costs.

Derivatives are financial liabilities when the fair value is negative, accounted for similarly as derivatives as assets.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method if this is considered to be significant. Gains and losses are recognised in income statement when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate method. The effective interest rate amortisation is included as finance costs in the income statement.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECL) for all instruments not held at fair value. If there is no substantial increase in credit risk since initial recognition, the ECLs are provided for credit losses that result from default events that are possible within the next 12-months. For those credit exposures facing a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure. Credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. A provision for impairment of trade receivables is established when a loss is expected and indications that the Company will not be able to collect all amounts due in accordance with the original terms of the receivables are identified.

The Company considers a financial asset in default when contractual payments are considerably past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Measurement of fair value

Fair value of financial instruments actively traded are valued based on quoted prices for identical instruments. Fair value of financial instruments not actively traded are valued based on models or other valuations methodologies observable for similar instruments.

L. Cash and cash equivalents

Cash and cash equivalents include cash and cash deposits held at banks.

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m. Equity

Ordinary shares are classified as equity. Transaction costs related to equity transactions, including any tax effect of the transaction costs, are charged directly to equity.

n. Contingent assets, liabilities and provisions

Contingent liabilities are defined as:

- Possible liabilities resulting from past events, but where its existence relies on future events
- Liabilities which are not accounted for as it is not likely that such liabilities will result in a cash outflow
- Liabilities which cannot be measured reliably.

Any major contingent liabilities are disclosed in notes to the accounts. Contingent assets will not be recorded in the accounts, but included as a note if it is likely that the Company will benefit from such assets.

Contingent liabilities and provisions are recognised in the accounts when it is deemed the Company has a lawful obligation that can be measured reliably and it is likely with a more than 50% probability that settlement will take place. Contingent liabilities and provisions are reviewed at each reporting date and adjusted to best estimate. When timing is insignificant, the liability is reported at the estimated cost of release from the liability. Otherwise, when timing is significant for the amount of the liability, the liability is recognised at fair value. Any increase over time in the amount of the liability is reported as interest costs.

o. Events after the reporting date

New information about the Company's financial standing at the reporting date is included in the financial statements. Events occurring after the reporting date that have no impact on the Company's financial position at the reporting date, but which have a significant impact on future periods, are presented in notes to the accounts.

p. Statement of cash flows

The statement of cash flows presents the total cash flow divided into operational activities, investment activities and financing activities. The statement is prepared using the indirect model and reflects the individual activities' impact on the cash reserve.

3. Related parties

In the normal course of its business, the Company has carried out a number of transactions with related parties. Related parties comprise of principal owners of the Company and companies controlled by those owners, management of the Company and companies in which the Company can exercise significant influence over their management or operating policies.

a. Transactions relating to management services:

KGJS provides the Company with administrative services and charges management fees. These costs amounted to USD 3.000 in 2021, same as in 2020, recorded in the income statement as general and administrative expenses.

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b. Receivables/payables with related parties:

For the years ended 31 December		
(in US Dollar thousands)	2021	2020
Receivables - current assets - Kristian Gerhard Jebsen Skipsrederi AS	20 036	0
Receivables - current assets - KGJ Cement Holding AS	678	0
Payables - current liabilities - Kristian Gerhard Jebsen Skipsrederi AS	- 102	0
Payables - current liabilities - SKS Shipowning III AS	-7 418	0
Payables - current liabilities - SKS OBO & Tankers AS	-72 632	0
Payables - current liabilities - Kristian Gerhard Jebsen Group AS	-7 734	0
Payables - current liabilities - SKS Shipowning II AS	-5 935	0
Payables - current liabilities - KGJ Cement Holding AS	- 678	0
Total	-73 785	0

4. General and administrative expenses

General and administrative expenses consist of expenses for administrative services delivered by KGJS, lawyers, auditors and others.

For the years ended 31 December		
(in US Dollar thousands)	2021	2020
Administrative services	3	3
Statutory audit fees	8	8
Legal fees	175	1
Other expenses	7	0
Total	193	12

5. Salaries, benefits and number of employees

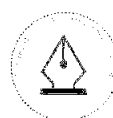
The Company purchases all of its services from KGJS. Such services are covering all administrative services. As a consequence, the Company has no employees. There is no remuneration to the Company's board members.

6. Subsidiaries

On 10 December, subsidiaries of the Company completed a combined transaction for the sale of 10 product tankers of 120 000 dwt. to newly established joint venture companies (SKS Tankers) owned by two subsidiaries of SKS Tankers Holding AS. The joint venture partner is Greentankers Holding Ltd., a company owned by Hayfin Capital Holdings Ltd. The value of the investment in SKS Tankers is recognised in the Company as Investment in subsidiaries and the combined value of the investment as per 31 December 2021 was USD 73.5 million.

The Company has evaluated its investments for potential impairment losses. If the book value of shares is higher than the adjusted shareholders equity in the corresponding company, impairment occurs. Adjusted shareholder equity is calculated based on excess or less value in the company. Based on the review, the Company has in 2021 made an impairment loss of USD 92.8 mill. on its investments in SKS OBO & Tankers AS.

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For the year ended 31 December 2021 (in US Dollar thousands)	Registered office	Equity USD 000	Net result USD 000	Owner/ voting rights	Book value USD 000
SKS OBO & Tankers AS	Bergen	110 134	-91 841	100%	109 176
KGIS Tank AS	Bergen	-15 831	-10 521	100%	0
SKS Shipowning I AS	Bergen	-7 551	1 606	100%	0
SKS Shipowning II AS	Bergen	11 190	5 829	100%	12
SKS Shipowning III AS	Bergen	2 214	-3 087	100%	261
SKS Tankers AS	Bergen	67 575	-5	100%	67 584
SKS Tankers II AS	Bergen	5 915	-5	100%	5 924
SKS Pool AS	Bergen	12	0	100%	15
Kristian Gerhard Jebsen Group AS	Bergen	- 787	- 491	100%	0
Jebsen Group AS	Bergen	215	744	100%	0
					182 972

7. Other financial items

For the years ended 31 December (in US Dollar thousands)	2021	2020
Currency gains	1	1
Total financial income	1	1
Currency losses	- 4	0
Total financial expenses	- 4	0
Net other financial items	- 3	1

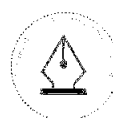
8. Taxes

For the years ended 31 December (in US Dollar thousands)	2021	2020
Payable tax	149	0
Changes in deferred tax	4	-3
Total tax expense/(income)	153	-3

Reconciliation of nominal and effective tax rate:

For the years ended 31 December (in US Dollar thousands)	2021	2020
Net income/(loss) before tax	-93 179	-17 732
Estimated tax expense (22%)	- 20 499	- 3 901
Difference between estimated and actual tax expense ..	20 653	3 898
Total tax expense/(income)	153	- 3

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Specification of differences between estimated and actual tax expense:

For the years ended 31 December (in US Dollar thousands)	2021	2020
Impairment financial assets	20 416	3 898
Currency transaction and other permanent differences	237	
Total difference between estimated and actual tax exp	20 653	3 898

Tax calculations are based on financial statements in US Dollars converted to Norwegian Kroner using varying rates of exchange for both balance sheet and income statement. The currency transaction differences arise when converting the Norwegian kroner tax calculation to US Dollars in the specification.

Summary of temporary differences:

For the years ended 31 December (in US Dollar thousands)	2021	2020
Taxable deficit	0	-19
Total basis for deferred tax(+)/tax assets(-)	0	-19

For the years ended 31 December (in US Dollar thousands)	2021	2020
Deferred tax (+)/ tax assets (-)	0	-4
Changes in deferred tax (+)/ benefit (-)	4	-3

Payable tax:

For the years ended 31 December (in US Dollar thousands)	2021	2020
Payable tax - ordinary taxation	149	0
Group contribution - tax effect	-149	0
Total	0	0

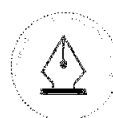
9. Other current assets

For the years ended 31 December (in US Dollar thousands)	2021	2020
Other receivables	24	1
Total	24	1

10. Cash and cash equivalents

For the years ended 31 December (in US Dollar thousands)	2021	2020
Cash in bank	34	72
Total	34	72

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11. Share capital and shareholder information

At 31 December 2021 the share capital of the Company consists of one class of 1 000 ordinary shares at NOK 1 106 198 each.

Ownership structure	Number of shares	Share of ownership	Voting rights
Kristian Gerhard Jebsen Skipsrederi AS.....	1 000	100.0%	100.0%

12. Other current liabilities

For the years ended 31 December (in US Dollar thousands)	2021	2020
Other accruals	28	4
Trade payables	63	0
Total	90	4

13. Risk management and other hedging activities

Risk management

a. Credit risk

The Company is exposed to credit risk in the event of failure of counter-parties to meet their obligations under a trading transaction. The Company's theoretical risk is the cost of replacement at current market prices of such transactions in the event of default by counter-parties. However, counter-parties are established with high credit ratings, and management believes that the possibility of non-performance by the counter-parties is remote. The Company therefore regards its maximum exposure to credit risk as being the carrying amount of receivables and other current assets. No collateral is held as security against receivables, none of which are considered to be impaired. The Company does not believe it is exposed to any material concentrations of credit-risk.

b. Liquidity risk

The Company's strategy is to have adequate liquid assets either in form of cash and/or available credit facilities at all times.

c. Market risk

Market risk comprises interest rate- and currency risk, and other price risks. The Company has no financial derivatives of which the fair value would fluctuate because of changes in other prices.

d. Interest rate risk

The Company is exposed to interest rate risk for debt with floating interest rates.

e. Currency risk

The Company incurs immaterial net expenses in Norwegian Kroner. As per year-end the Company has no non-current monetary assets or liabilities in non-USD currencies.

f. Other risks

The Company is indirectly exposed to general freight and bunker price fluctuations, through the Company's indirect ownership in vessels through its subsidiaries. To reduce such risks the subsidiaries may enter into bunker derivatives to hedge against fluctuations in the results for Contracts of Affreightments without World Scale compensation. The subsidiaries may also enter into forward freight agreements to mitigate the risks of the

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fluctuating freight market. Gains or losses associated with such instruments are currently recorded as operating income/(expenses).

Financial derivatives and hedging

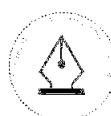
At 31 December, 2021 and 2020 the Company has neither financial derivatives nor hedging contracts.

14. Contingencies

In the course of 2021, the Company has not been involved in any incidents which have resulted in material loss or liability to the Company.

15. Subsequent events

There has not been any events that would materially impact the financial statements for 2021 after 31 December 2021.



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