



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 912 700 879
Organisasjonsform: Aksjeselskap
Foretaksnavn: WEST SUPPLY VII EIER AS
Forretningsadresse: Smedasundet 97
5525 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Anett Våge
Dato for fastsettelse av årsregnskapet: 27.03.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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, 28.05.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Operating income	1	13 252 420	11 853 375
Sum inntekter		13 252 420	11 853 375
Kostnader			
Operating expenses vessels	2	255 224	267 534
Depreciation	3	6 090 920	6 090 920
Overhead expenses	4	17 403	29 483
Sum kostnader		6 363 547	6 387 936
Driftsresultat		6 888 873	5 465 439
Finansinntekter og finanskostnader			
Annen renteinntekt	5	340 961	126 359
Sum finansinntekter		340 961	126 359
Annen rentekostnad	5	5 085 829	3 958 647
Net currency differences		30 421	131 693
Sum finanskostnader		5 116 250	4 090 339
Netto finans		-4 775 289	-3 963 980
Ordinært resultat før skattekostnad		2 113 584	1 501 459
Ordinært resultat etter skattekostnad		2 113 584	1 501 459
Årsresultat		2 113 584	1 501 459
Årsresultat etter minoritetsinteresser		2 113 584	1 501 459
Totalresultat		2 113 584	1 501 459
Overføringer og disponeringer			
Transfer to other equity		2 113 584	1 501 459
Sum overføringer og disponeringer		2 113 584	1 501 459



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Vessel	3, 6	125 397 423	131 488 343
Sum varige driftsmidler		125 397 423	131 488 343
Sum anleggsmidler		125 397 423	131 488 343
Omløpsmidler			
Varer			
Fordringer			
Accounts receivable	6, 7		1 006 725
Other short-term receivables	6	22 890	20 900
Konsernfordringer	7	564 458	13 332
Sum fordringer		587 348	1 040 957
Bankinnskudd, kontanter og lignende			
Bank deposits	6	5 867 498	6 043 292
Sum bankinnskudd, kontanter og lignende		5 867 498	6 043 292
Sum omløpsmidler		6 454 846	7 084 249
SUM EIENDELER		131 852 269	138 572 593
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital (5.700 shares at NOK 66.030)	8	43 928 655	43 928 655
Overkurs		16 549 020	16 549 020
Sum innskutt egenkapital		60 477 675	60 477 675



Balanse

Beløp i: NOK	Note	2023	2022
Opptjent egenkapital			
Other equity		21 422 094	19 308 510
Sum opptjent egenkapital		21 422 094	19 308 510
Sum egenkapital	9	81 899 769	79 786 185
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	6	49 500 000	58 000 000
Sum annen langsiktig gjeld		49 500 000	58 000 000
Sum langsiktig gjeld		49 500 000	58 000 000
Kortsiktig gjeld			
Leverandørgjeld	7	92 913	70 404
Debt to group companies	7		70 236
Tax payable	2	2 898	2 984
Other current liabilities		356 690	642 784
Sum kortsiktig gjeld		452 501	786 408
Sum gjeld		49 952 501	58 786 408
SUM EGENKAPITAL OG GJELD		131 852 269	138 572 593



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 14.10.2015	Vår dato 19.10.2015
Telefon 22078139	Deres referanse Håvard Framnes	Vår referanse 2015/997974

ØSTENSJØ REDERI AS
Postboks 394
5501 HAUGESUND

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

- Vi viser til deres brev av 14. oktober 2015 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

West Supply VII AS	org. nr. 912 700 836
West Supply VII Eier AS	org.nr. 912 700 879
West Supply VII Drift AS	org.nr. 912 700 844

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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

Bakgrunn

West Supply VII AS er holdingselskap for West Supply VII Eier AS og West Supply VII Drift AS. Hovedaksjonær er Johannes Østensjø Dy AS med 51 %. Videre er selskapene eid av et utenlandsk selskap med 26 %. Andre selskap i Østensjø Rederi konsernet har tidligere fått tillatelse til å benytte engelsk språk. Selskapene driver med rederivirksomhet. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Selskapene benytter også engelsk som arbeidsspråk. Det er heller ingen forhold rundt selskapets finansiering som skulle tilsi behov for regnskap på norsk – bankforbindelser etterspør kun informasjon på engelsk. Den norske versjonen utarbeides kun for å tilfredsstille regnskapsloven.

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:

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr. 996250318
E-post: skatteetaten.no/sendepost

Sentraltbord
800 80 000
Telefaks
22 17 08 60



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

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

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at hovedaksjonær eier 51 % og at andre selskaper i konsernet tidligere har fått tilvarende dispensasjon. 26 % av aksjene er eid av et utenlandsk selskap. Videre er det vektlagt at sentrale aktører og samarbeidspartnere innen bransjen behersker og benytter engelsk og at selskapet benytter engelsk som arbeidsspråk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



WEST SUPPLY VII EIER AS

DIRECTOR'S REPORT 2023

Operations and locations

West Supply VII Eier AS (the Company) owns the offshore construction vessel Edda Freya. The vessel is chartered out on a bareboat charter to the associated company West Supply VII Drift AS which has chartered the vessel out on a long-term time charter to DeepOcean AS.

The Company has its administration located in Haugesund, Norway, and has a management agreement with Østensjø Rederi AS.

Future development and market conditions

Edda Freya operates in the offshore market, primarily within the oil and gas sector but also servicing the offshore wind market.

Following a prolonged period of market imbalance and limited demand and charterers' willingness to pay sustainable rates for subsea vessels, the last years' improvement in oil & gas market sentiment combined with vessel demand from the offshore renewables market has now lead to a generally strong offshore market.

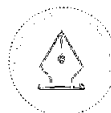
There is currently increasing demand for high specification subsea vessels and a limited number of vessels available in the market to meet short to medium-term demand. Although there most likely will be placed certain orders for vessel newbuildings going forward, elements like i.a. significantly increased expenses, access to capital and technology risk are expected to somewhat reduce the appetite for massive orders, which, subject to stable demand, most likely will lead to a favourable market for operators and shipowners in the years to come.

The Edda Freya has been employed with DeepOcean throughout 2023, under a fixed charterparty for minimum 2 years firm and with an additional 1-year option. The contract was entered into in an improving market, and although market rates have increased since the contract was entered into, the contract secures good earnings visibility for the vessel. With the current market prospects for high end subsea tonnage and expectations on limited newbuilding capacity entering the market in the years to come, the Board of Directors expects higher rate levels and is positive about the future development and market conditions for the Edda Freya.

Recent technology changes, regulative requirements, and transmission to zero emission operations will most likely lead to increased upgrades and capital expenditures to ensure regulatory compliance for existing vessels in the future. As of today, it is, however, very difficult to factor in when, which technology and at what cost will impact vessel lifetime. The depreciation schedule for the vessel is thus kept at 30 years linear depreciation, in line with the principles applied for the vessel historically.

Comments related to the Financial Statement

In the opinion of the Board of Directors, the information in the Financial Statements, including the notes, gives a complete and comprehensive overview over the Company's development and result during 2023, in addition to the financial position at year-end.



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The result for 2023 shows a profit of US dollar (USD) 2,113,584 compared with a profit of USD 1,501,459 in 2022.

As of December 31, 2023, the Company's equity ratio is 62.1% compared to 57.6% in 2022.

Total cash flow from operating activities for the Company is USD 8,324,205, and the operating profit is USD 6,888,873. The difference mainly concerns ordinary depreciation. Total cash flow from financing was negative with USD 8,500,000 and relates to repayment of debt. The Company's cash balance as of December 31, 2023, is USD 5,867,498 compared to USD 6,043,292 in 2022.

The Company's current assets as of December 31, 2023, are USD 6,454,846 compared to USD 7,084,249 in 2022, whilst the current liabilities are USD 452,501 as of December 31, 2023, and USD 786,408 in 2022.

The Board of Directors is not aware of any circumstances occurring after year-end with relevance to the assessment of the financial statements.

Going concern

In accordance with the Accounting Act §3-3, the Board of Directors confirms that the annual accounts have been prepared on the assumption that the Company is a going concern.

The Company's bank debt relates to a loan facility financing the Edda Freya. The facility was refinanced during the second half of 2022 with final maturity being extended and a balloon payment falling due in the fourth quarter of 2025. The refinanced facility has a fixed amortization profile and carries a floating interest.

Financial risk

Credit risk:

The credit risk of the Company is considered moderate. The Company's only client, West Supply VII Drift AS has chartered the Vessel based on back-to-back employment with DeepOcean.

Market risk:

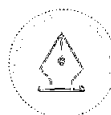
The Company's market risk is limited given the fixed employment of the Vessel.

The Company's revenue in 2023 was in USD and the bank debt in USD. The currency exposure is considered limited.

The Company's bank debt is subject to a USD fixed interest rate. Following the refinancing of debt which took place during the second half of 2022, USD LIBOR was replaced by SOFR as underlying reference rate. With expectations on increased USD interest rates, the USD interest rate was fixed in full and for a period until the first half of 2025. The interest risk of the Company is thus considered moderate.

Liquidity risk:

The Board of Directors considers the Company's liquidity risk as acceptable. The working capital is positive, and the Company's cash flow from the charter party is sufficient to cover its financial liabilities.



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**Working environment and gender equality**

The company has no employees, and all board members are male.

External environment

The Company owns an offshore construction vessel. The operation of the vessel includes risks of contamination. The vessel fulfils all requirements set by national regulations, and the Board of Directors is not aware of spills nor pollution to the external environment beyond normal operations.

Sustainability

Actions within sustainability are followed up in the Sustainability Action Plan developed by Østensjø Rederi AS as manager of the vessel. The plan is based on the UN's sustainability goals and it has been chosen to place particular emphasis on six of the sustainability goals where concrete goals and initiatives have been identified.

A Sustainability Action Group, consisting of representatives from each department in Østensjø Rederi AS, has been established to maintain, develop, and follow up the Sustainability Action Plan.

During 2023, Østensjø Rederi AS has updated the plan with the following new initiatives:

Initiatives:

- Recycling of electrical waste in the office.
- Offer Biofuel to customers in all new contracts.
- Two new deliveries of ships designed for LOHC technology.
- Initiative to reduce Co2 on business travel.

In addition, a new sustainability goal has been included in the plan, UN Goal No. 9: Upgrade infrastructure and adapt industries to make them more sustainable, with increased efficiency in resource use and greater adoption of clean and environmentally friendly technologies and industrial processes.

Østensjø Group has invested in the company LOHC Maritime, and the aim is to develop zero-emission technology for use on board vessels in its group of companies, but also to make the technology available to all vessels where it is suitable. The aim is to have the technology ready by 2029.

The Sustainability Action Plan is available at sustainability.ostensjo.no.

Insurance for board members

West Supply VII and all its subsidiaries are included in a Directors and Officers Liability Insurance (D&O). The D&O insurance provides financial protection for the directors and officers of the Company in the event that they are being sued in conjunction with the performance of their duties as they relate to the Company. The insurance comprises the directors' and officers' personal legal liabilities, including defence- and legal costs.

Corporate Social Responsibility Statement

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The company and the manager, Østensjø Rederi AS, have published the statement required in the Norwegian Transparency Act (LOV-2021-06-18-99) for 2022 on Østensjø Rederi AS' home page, ostensjo.no/company, where the statement for 2023 also will be published within reporting deadline June 30, 2024.

Allocation of result

The Board of Directors has proposed the result of the Company to be transferred to other equity.

31 December 2023
Haugesund, -----
19 March 2024

Johannes Østensjø
Chairman of the Board/ CEO

Fredrik Ottesen
Board member



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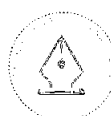


West Supply VII Eier AS

Profit and loss statement

(figures in USD)

Notes	Operating revenue and operating expenses	2023	2022
1	Operating income	13 252 420	11 853 375
2	Operating expenses vessels	255 224	267 534
	Operating result vessels	12 997 196	11 585 841
3	Depreciation	6 090 920	6 090 920
	Result after depreciation	6 906 276	5 494 921
4	Overhead expenses	17 403	29 483
	Operating result	6 888 873	5 465 439
	Financial income and expenses		
5	Financial income	340 961	126 359
	Net currency differences	-30 421	-131 693
5	Financial expenses	5 085 829	3 958 647
	Net financial result	-4 775 289	-3 963 980
	Result before taxation	2 113 584	1 501 459
2	Tax on ordinary result	0	0
	Result for the year	2 113 584	1 501 459
	Allocation of result and equity transfers		
	Transfer to other equity	2 113 584	1 501 459
	Total allocations and equity transfers	2 113 584	1 501 459



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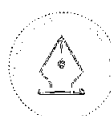


West Supply VII Eier AS

Balance Sheet at 31 December

(figures in USD)

Notes	ASSETS	2023	2022
	Non-current assets		
	Tangible fixed assets		
3, 6	Vessel	<u>125 397 423</u>	<u>131 488 343</u>
	Total tangible fixed assets	<u>125 397 423</u>	<u>131 488 343</u>
	Total non-current assets	<u>125 397 423</u>	<u>131 488 343</u>
	Current assets		
	Receivables		
6, 7	Accounts receivable	0	1 006 725
7	Receivables from group companies	564 458	13 332
6	Other short-term receivables	<u>22 890</u>	<u>20 900</u>
	Total receivables	<u>587 348</u>	<u>1 040 957</u>
6	Bank deposits	<u>5 867 498</u>	<u>6 043 292</u>
	Total current assets	<u>6 454 846</u>	<u>7 084 249</u>
	TOTAL ASSETS	<u>131 852 269</u>	<u>138 572 593</u>



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West Supply VII Eier AS

Balance Sheet at 31 December

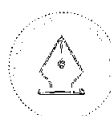
(figures in USD)

Notes	EQUITY AND LIABILITIES	2023	2022
	Equity		
	Paid-in capital		
8	Share capital (5.700 shares at NOK 66.030)	43 928 655	43 928 655
	Share premium	16 549 020	16 549 020
	Total paid-in capital	60 477 675	60 477 675
	Retained earnings		
	Other equity	21 422 094	19 308 510
	Total retained earnings	21 422 094	19 308 510
9	Total equity	81 899 769	79 786 185
	Liabilities		
6	Debt to financial institutions	49 500 000	58 000 000
	Total non-current liabilities	49 500 000	58 000 000
	Current liabilities		
7	Accounts payable	92 913	70 404
7	Debt to group companies	0	70 236
2	Tax payable	2 898	2 984
	Other current liabilities	356 690	642 784
	Total current liabilities	452 501	786 408
	Total liabilities	49 952 501	58 786 408
	TOTAL EQUITY AND LIABILITIES	131 852 269	138 572 593

Haugesund, 19.03.2024

Johannes Østensjø
Chairman of the Board / CEO

Fredrik Ottesen
Board member



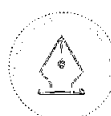
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West Supply VII Eier AS
Cash flow Statement

	<u>2023</u>	<u>2022</u>
<u>Cashflow from operations</u>		
Result before taxation	2 113 584	1 501 459
Depreciation	5 488 968	5 488 968
Expensed drydock	601 952	601 952
Change in debtors / creditors balance	1 029 234	2 962 019
Change in other clearing posts	-909 533	159 777
Net cashflow from operations	<u>8 324 205</u>	<u>10 714 175</u>
<u>Cashflow from financing</u>		
Repayment of debt	-8 500 000	0
Admission of new debt	0	58 000 000
Repayment of non-current liabilities	0	-66 138 856
Net cashflow from financing activities	<u>-8 500 000</u>	<u>-8 138 856</u>
Net change in cashflow for the year	-175 795	2 575 319
Cash balance as per 1.1	<u>6 043 292</u>	<u>3 467 973</u>
Cash balance as per 31.12	<u>5 867 498</u>	<u>6 043 292</u>



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West Supply VII Eier AS

Notes to Financial Statements 31 December 2023

Accounting policies

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Operating revenue and expenses

Revenue from freight operations is recognised when it is earned, which would normally be in the line with the operation of the vessel. Expenses are recognised in the same period as the revenue to which they relate.

Taxes

The company requires assessment pursuant to § 8-10 of the Tax Law - under the Tonnage Tax Regime. This means that the operation of vessels is not taxed, but certain financial income and expenses are subject to taxation.

Functional and presentation currency

The Financial Statements are presented in USD. Monetary items (assets, liabilities and bank deposits) in foreign currency are converted at the exchange rate as on the balance sheet date. The exchange rate to Norwegian kroner for 2023 is set to 10,2020 for the balance sheet date and 10,5658 as an average for the year.

Valuation and classification of assets and liabilities

Assets intended for permanent ownership or use in the business are classified as non-current assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The classification of current and non-current liabilities is based on the same criteria.

Current assets are valued at the lower of historical cost and fair value.

Tangible assets are capitalized and depreciated over the expected economic life. Direct maintenance costs are expensed as incurred, while improvements are allocated to the cost base of the relevant asset and depreciated with that asset. If the recoverable amount of the asset is lower than the carrying amount, the asset is written down to its recoverable amount. The recoverable amount is the higher of net selling price and value in use. Value in use is the present value of future cash flow that the asset is expected to generate.

Drydock of owned vessel are capitalized and depreciated over 5 years until the next drydocking.

Other long-term liabilities, as well as short-term liabilities, are valued at nominal value.

Receivables

Trade receivables and other receivables are recognised at nominal value, less the accrual for expected losses of receivables. The accrual for losses is based on an individual assessment of each receivable.

Use of estimates

During the preparation of the financial statements and according to the generally accepted accounting principles the management has used estimates and assumptions that affect the profit and loss account and the valuation of assets and liabilities, and requires disclosure of information about liabilities that, as of the balance sheet date, are not yet certain.



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Hedge accounting

The company uses derivative financial instruments, such as interest rate swaps to hedge its interest rate risk. If the company consider the hedge as effective, any gains or losses arising from changes in the fair value of the derivatives are considered as an off balance item. If considered hedge, accounting payments/expenses under the interest rate swap agreement are classified as financial income or expense.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase.

Cash Flow analysis

The cash flow statement is prepared using the indirect method.

Group

The company is included in West Supply VII AS's consolidated financial statements. The consolidated financial statements can be obtained at the company's business office in Haugesund.

Note 1 - Operating Income

The vessel Edda Freya has been on a TC-contract with Deep Ocean during 2023. It is the sister company, West Supply VII Drift AS, which has leased the vessel from the company on bareboat terms.

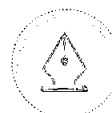
Note 2 - Taxes

Tax payable based on the result for the year

The company requires assessment pursuant to § 8-10 of the Tax Law - under the Tonnage Tax Regime. This means that profit on financial income and expenses are subject to taxation. At the same time companies within the tonnage tax scheme will have to pay a tonnage tax based on the size of the company's operated vessel, which in 2023 amounted to NOK 29 565 (NOK 29 565 in 2022).

	2023	2022
Interest income	340 961	126 359
Currency differences	-98 719	-237 946
Interest expenses	-229 623	-195 410
Other financial expenses	-122 253	-482 888
Limitation of interest expense	0	324 231
Taxable profit, base for tax payable	-109 634	-465 655
Tax loss carried forward 01.01.	8 408 059	8 930 077
Conversion difference 01.01 loss	-243 456	-964 797
Tax loss current year	113 544	442 779
Tax loss carried forward 31.12.	8 278 147	8 408 059
Income tax expense		
Tax payable, 22 %	0	0
Total income tax expense	0	0

Tonnage tax is classified as an operating expense.



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Note 3 - Vessel

Edda Freya	2023	2022
Cost of 1 January 2023	165 813 763	165 813 763
Accumulated depreciation	-41 624 674	-36 135 706
Balance at 31 December 2023	124 189 089	129 678 057
Depreciation of the year	-5 488 968	-5 488 968
Drydock 1 January 2023	1 810 286	2 412 238
Charged as expense	-601 952	-601 952
Balance drydock at 31 December 2023	1 208 334	1 810 286
Total balance at 31 December 2023	125 397 423	131 488 343

The depreciation schedule for the vessel is 30 years linear depreciation.

Freya is on a long-term contract with DeepOcean. The market for high specification construction vessels is improving and the company is experiencing both increased demand and higher rate expectations for the Edda Freya. The market value has been obtained from two independent brokers. If the obtained market value indicates impairment of the book value of the vessel, an impairment test will be performed. The impairment test analysis employs estimate of future cash flows for the vessel to calculate the value in use.

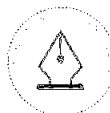
There has not been identifies any impairment indicators and the market values are over booked value as of 31 December 2023.

Recent technology changes, regulative requirements and transmission to zero emission operations will most likely lead to increased upgrades and capital expenditures to ensure regulatory compliance for existing vessels in the future. As of today, it is, however, very difficult to factor in when, which technology and at what cost will impact impact vessel lifetime. The depreciation schedule for the vessel is thus kept at 30 years linear depreciation, in line with the principles applied for the vessel historically.

Note 4 - Payroll costs, remuneration etc.

The company has no employees and is therefore not obliged to follow Act on Mandatory Occupational Pensions. There has been no remuneration to board members in 2023.

Audit fee for 2023 to Ernst & Young AS amounts to USD 9 933 (ex VAT).



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Note 5 - Financial income and expenses

<u>Financial income</u>	2023	2022
Interest from bank	322 904	89 220
Interest from group companies	18 057	1 237
Other interest income	0	35 903
Total Financial income	340 961	126 359

Financial expenses

Derivates	-446 954	0
Interest expenses	4 963 566	3 475 758
Guarantee commission	519 141	468 596
Interest to group companies	0	0
Other financial expenses	50 075	14 292
Total Financial expenses	5 085 829	3 958 646

Note 6 - Mortgages and guarantees

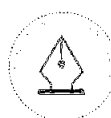
	2023	2022
Pledged debt	49 500 000	58 000 000
Liabilities due more than 5 years after year-end	0	0

Book value of pledged assets:

Vessels	125 397 423	131 488 343
Trade debtors	-	1 006 725
Other receivables	22 890	20 900
Bank deposits	5 867 498	6 043 292
Total book value of pledged assets	131 287 811	138 559 260

The company's bank debt relates to a loan facility financing the Edda Freya. The facility is fully guaranteed by West Supply VII AS and West Supply VII Drift AS.

In addition, the shareholders of West Supply VII AS have provided pro-rata guarantees for 50% of the outstanding debt.



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Note 7 - Related party transactions

	2023	2022
<u>Operating income</u>		
West Supply VII Drift AS (bareboat-hire)	13 252 420	11 853 375
<u>Financial expenses</u>		
West Supply VII Drift AS	54 646	63 139
<u>Interest from group companies</u>		
West Supply VII Drift AS	18 057	1 237
<u>Accounts receivables</u>		
West Supply VII Drift AS	-	1 006 725
<u>Receivables from group companies</u>		
West Supply VII Drift AS	564 458	13 332
<u>Accounts payable</u>		
West Supply VII AS	-	6 810
West Supply VII Drift AS	-	6 810
Østensjø Rederi AS	-	1 796
	-	15 416
<u>Debt to group companies</u>		
West Supply VII AS	-	(61 973)
Johannes Østensjø dy AS	-	(8 263)
	-	(70 236)

Note 8 - Share capital and shareholder information

Ownership structure	Number	Ownership share	Voting rights
West Supply VII AS	5.700	100 %	100 %

Chairman of the board own 54 % of the shares.

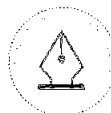
Note 9 - Equity

	Share capital	Share premium	Other equity	Total equity
Equity at 1 January 2023	43 928 655	16 549 020	19 308 510	79 786 185
Profit of the year			2 113 584	2 113 584
Equity at 31 December 2023	43 928 655	16 549 020	21 422 094	81 899 769

Note 10 - Hedging activities

As of 31 December 2023, the Company has an interest rate swap agreement, with a market value of USD 386,868 and a notional amount of USD 49,500,000, where the Company receives a fixed interest rate of 3,861%.

The swap is being used to hedge the exposure of changes in the fair value of its floating rate at 5,29% on the loan as of 31 December 2023.



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Name	Method	Signed at
Ottesen, Fredrik	BANKID	2024-03-25 18:16 GMT+01
Østensjø, Johannes	BANKID	2024-03-25 11:54 GMT+01



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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of West Supply VII Eier AS

Opinion

We have audited the financial statements of West Supply VII Eier AS (the Company), which comprise the balance sheet as at 31 December 2023, 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.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the general manager) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

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

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



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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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bergen, 27 March 2024
ERNST & YOUNG AS

The auditor's report is signed electronically

Øyvind Norge
State Authorised Public Accountant (Norway)

Independent auditor's report - West Supply VII Eier AS 2023

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Øyvind Nore

Statsautorisert revisor

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