



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2016 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 914 441 277
Organisasjonsform: Aksjeselskap
Foretaksnavn: DEEP SEA SUPPLY SHIPOWNING III AS
Forretningsadresse: Storgaten 4
4876 GRIMSTAD

Regnskapsår

Årsregnskapets periode: 01.01.2016 - 31.12.2016

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: Anders Hall Jomås
Dato for fastsettelse av årsregnskapet: 30.06.2017

Grunnlag for avgivelse

År 2016: Årsregnskapet er elektronisk innlevert
År 2015: Tall er hentet fra elektronisk innlevert årsregnskap fra 2016

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, 03.11.2020



Resultatregnskap

Beløp i: USD	Note	2016	2015
RESULTATREGNSKAP			
Inntekter			
Freight revenue	9	8 578 000	35 031 000
Other Operating income		1 583 000	0
Sum inntekter		10 161 000	35 031 000
Kostnader			
Depreciation	2	8 905 000	11 196 000
Impairment	2	26 939 000	64 494 000
Operating expenses vessels	11	6 217 000	8 785 000
Other operating expenses	10	73 000	713 000
Sum kostnader		42 134 000	85 188 000
Driftsresultat		-31 973 000	-50 157 000
Write down of financial assets		574 000	0
Annen rentekostnad		6 936 000	6 378 000
Other financial expense		-372 000	620 000
Sum finanskostnader		7 138 000	6 998 000
Netto finans		-7 138 000	-6 998 000
Ordinært resultat før skattekostnad		-39 111 000	-57 155 000
Income tax expense	8	-1 559 000	795 000
Ordinært resultat etter skattekostnad		-37 552 000	-57 950 000
Årsresultat		-37 552 000	-57 950 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		-37 552 000	-57 949 000
Sum overføringer og disponeringer		-37 552 000	-57 949 000



Balanse

Beløp i: USD	Note	2016	2015
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Vessels and newbuilding contracts	2	163 243 000	196 324 000
Sum varige driftsmidler		163 243 000	196 324 000
Sum anleggsmidler		163 243 000	196 324 000
Omløpsmidler			
Varer			
Inventories	3	536 000	524 000
Sum varer		536 000	524 000
Fordringer			
Trade receivables		2 598 000	1 178 000
Other receivables		267 000	927 000
Konsernfordringer	5	7 132 000	4 805 000
Sum fordringer		9 997 000	6 910 000
Bankinnskudd, kontanter og lignende			
Cash and bank deposits		4 622 000	17 308 000
Sum bankinnskudd, kontanter og lignende		4 622 000	17 308 000
Sum omløpsmidler		15 155 000	24 742 000
SUM EIENDELER		178 398 000	221 066 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share Capital	6	96 000	96 000
Overkurs		96 075 000	96 075 000



Balanse

Beløp i: USD	Note	2016	2015
Sum innskutt egenkapital		96 171 000	96 171 000
Opptjent egenkapital			
Other equity	7	-92 378 000	-54 824 000
Sum opptjent egenkapital		-92 378 000	-54 824 000
Sum egenkapital		3 793 000	41 347 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	4	139 319 000	144 342 000
Langsiktig konserngjeld	5	33 101 000	1 652 000
Other long term liabilities	5	0	30 110 000
Sum annen langsiktig gjeld		172 420 000	176 104 000
Sum langsiktig gjeld		172 420 000	176 104 000
Kortsiktig gjeld			
Other short term liabilities		2 183 000	3 615 000
Sum kortsiktig gjeld		2 183 000	3 615 000
Sum gjeld		174 603 000	179 719 000
SUM EGENKAPITAL OG GJELD		178 396 000	221 066 000



To the General Meeting of Deep Sea Supply Shipowning III AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Deep Sea Supply Shipowning III AS showing a loss of NOK 37 553 498. The financial statements comprise the balance sheet as at 31 December 2016, 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 accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations, 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

Management is responsible for the other information. The other information comprises the Board of Directors' report, but does not include the financial statements and our auditor's report thereon.

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.

PricewaterhouseCoopers AS, Gravane 26, Postboks 447, NO-4664 Kristiansand

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State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm



Independent Auditor's Report - Deep Sea Supply Shipowning III AS

Responsibilities of The Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (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. We 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

(2)



Independent Auditor's Report - Deep Sea Supply Shipowning III AS

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

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

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

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Kristiansand, 28 June 2017
PricewaterhouseCoopers AS

Svein A. Andresen
State Authorised Public Accountant



Directors' report 2016

Background and activities

Deep Sea Supply Shipowning III AS ("the Company") was established in 28th of October 2014. The company was merged with Deep Sea Supply Shipowning III B.V. 23rd of September 2015.

The company is domiciled in Storgaten 4 in Grimstad, Norway. The Company owned per 31.12.2016 six Platform Supply Vessels (PSV). The vessels have been operating in the Mediterranean and North Sea during 2016. Due to the changes in the market situation, five vessels were mostly laid-up during 2016.

Financial status

Below is a summary of the financial position of the company.

Revenues and Profit

The Company's total revenues were MUSD 10.2, whereof MUSD 8.6 from Freight Revenue. North Sea revenues were MUSD 5.9 and Mediterranean MUSD 2.7.

The vessels' operating expenses were MUSD 42.1. The company's EBIT was a net loss of MUSD 32.0, while total financial cost was MUSD 7.1.

Net loss before tax was MUSD 39.1 and net loss after tax was MUSD 37.6.

Equity

The company's total equity at the end of 2016 was MUSD 3.8. The Board considers the equity size as non-satisfactory and is currently exploring various options to resolve this.

Currency

The company's cash position for 2016 decreased by MUSD 12.7.

Going concern

The financial statements are prepared on a going concern basis.

Financial risk

Below, we will explain some key risk factors:

Assessment of the company's assets

The value of the company's ships could change, due long-term changes in the market (earnings) for this type of vessel, the cost of newbuilding of vessels etc. This may affect the Company's equity.



Market risk

The Company has and will have its fleet in the spot market which means uncertainty about future rate levels and thus the company's revenues and profits. The market was weak throughout 2016 and future development depends on the activity level for the oil companies.

Health, safety and environment

The company has no employees. The company does not pollute the environment.

Equality

The company has no employees. The Board consists of men. The Board strives to gender equality.

Future outlook

During 2016 the Company saw a continued weakening of the global OSV markets. The North Sea spot market is challenging with unsustainable rate levels and low utilization. No improvement in the market situation for OSVs is expected in the short to medium term. The contract coverage for 2016 for the Company is not satisfactory. Deep Sea Supply Shipowning III AS is currently pursuing several term opportunities, however the competition is fierce and rate levels are low.

The Annual report gives a fair review of the developments and the performance of the business as well as the financial position of Company.

Allocation of profit – Deep Sea Supply Shipowning III AS

Loss after tax is of MUSD 37.6 and proposed transferred to other equity.

Events after the balance sheet date

No material events occurred after the balance sheet date.

Grimstad, 28th June 2017

Anders Hall Jomaas
Chairman

Jon Are Gummedal

Morten Skrøvje



Deep Sea Supply Shipowning III AS

INCOME STATEMENT

(Amounts in USD 1000)

	Note	2016	2015
Freight revenue	9	8 578	35 031
Other operating income		1 583	-
Total revenue		10 160	35 031
Operating expenses vessels	11	-6 217	-8 785
Depreciation	2	-8 905	-11 196
Impairment	2	-26 939	-64 494
Other operating expenses	10	-73	-713
Total operating expenses		-42 135	-85 188
Operating profit		-31 974	-50 156
Write - down of financial assets		-574	0
Other interest expenses		-6 936	-6 378
Other financial expense		372	-620
Loss before tax		-39 112	-57 154
Income tax expense	8	1 559	-795
Net loss for the year		-37 553	-57 949
Appropriation of loss can be shown here			
Equity		-37 553	-57 949
Total transfer		-37 553	-57 949



Deep Sea Supply Shipowning III AS

BALANCE SHEET AT 31.12.

(Amounts in USD 1000)

ASSETS	Note	2016	2015
Vessels and newbuilding contracts	2	163 243	196 324
Total tangible assets		163 243	196 324
TOTAL FIXED ASSETS		163 243	196 324
Inventories	3	536	524
Trade receivables		2 598	1 178
Receivables group companies	5	7 132	4 805
Other receivables		267	927
Total receivables		10 532	6 910
Cash and bank deposits		4 622	17 308
TOTAL CURRENT ASSETS		15 154	24 742
TOTAL ASSETS		178 397	221 066

**Deep Sea Supply Shipowning III AS****BALANCE SHEET AT 31.12.**

(Amounts in USD 1000)

EQUITY AND LIABILITIES	Note	2016	2015
Share capital	6	96	96
Share premium		96 075	96 075
Total paid-in equity		96 171	96 171
Other equity	7	-92 378	-54 824
Total retained earnings		-92 378	-54 824
TOTAL EQUITY	7,12, 13	3 793	41 347
Liabilities to financial institutions	4	139 319	144 342
Liabilities to group companies	5	33 101	1 652
Other long term liabilities	5	0	30 110
Total long term liabilities		172 421	176 104
Other short-term liabilities		2 183	3 615
Total short term liabilities		2 183	3 615
TOTAL LIABILITIES		174 603	179 719
TOTAL EQUITY AND LIABILITIES		178 397	221 066

Grimstad, June 28th 2017

Anders Hall Jomaas
Chairman of the BoardJon Are Gummedal
Member of the BoardMorten Skrøvje
Member of the Board



Cash flow statement
Deep Sea Supply Shipowning III AS

	2016	2015
Cash flow from operations		
Profit before taxes	-39 112	-57 154
Taxes paid in the period	2 354	0
Depreciation	8 905	11 196
Impairment of fixed assets	26 939	64 494
Change in inventory	-12	-226
Change in trade debtors	911	-68
Change in other provisions	-20 240	4 935
Net cash flow from operations	-20 254	23 177
Cash flow from investments		
Purchase of fixed assets	-2 764	-473
Proceeds on loan receivables (short.t/long.t)	-636	0
Payments on loan receivables (short.t/long.t)	-2 327	0
Proceeds from sale of shares and investments in other companies	4	4
Net cash flow from investments	-5 723	-469
Cash flow from financing		
Proceeds from group companies	18 313	559
Proceeds from other debt (short.t/long.t)	-5 023	0
Proceeds from other borrowings (short.t/long.t)	0	-10 412
Net cash flow from financing	13 291	-9 853
Net cash flow in the period	-12 686	12 855
Cash and cash equivalents at the beginning of the period	17 308	4 453
Cash and cash equivalents at the end of the period	4 622	17 308
This consist of:		
Bank deposits etc.	4 622	17 308



Deep Sea Supply Shipowning III AS

Notes to the accounts for 2016

Note 1 Accounting principles

Basis of preparation

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

Functional and presentation currency

The company uses USD as functional currency and presentation currency.

All amounts in these financial statements are in USD 1 000 unless otherwise stated.

Use of estimates

The preparation of financial statements in compliance with the Norwegian Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

Freight revenues

Revenue derived from the charter of vessels is recognized over the charter period on a straight line basis. Charter contracts are classified as operating leases, revenue derived from charter contracts is recognized in the period over the lease term on a straight line basis. Related services are recognized as revenue in accordance with the services being rendered.

Some charter contracts include mobilization fee, which is paid at the beginning of the charter period. If the fee is to cover upgrades or equipment, the fee is booked as revenue and the relevant capital expenditure is capitalized and depreciated over the charter period on a straight line basis.

Vessels without signed contract in place at discharge have no revenue before a new contract is signed. Charter related expenses incurred for vessels in the idle time are expensed. Revenues from time charters and bareboat charters accounted for as operating leases are recognized over the rental periods of such charters, as service is performed on a straight line basis.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.



Deep Sea Supply Shipowning III AS

Notes to the accounts for 2016

Non-current assets and maintenance costs

Property, plant and equipment are stated at historical cost, less subsequent depreciation and impairment. For vessels purchased, these costs include expenditures that are directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis, taking residual values into consideration, and adjusted for impairment charges, if any. The carrying value of the fixed assets on the balance sheet represents the cost less accumulated depreciation and any impairment charges.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Day-to-day maintenance costs are charged to the profit or loss during the financial period in which they are incurred.

The cost of major renovations and periodic maintenance of vessels are capitalized and depreciated over the useful lifetime of the parts replaced. The useful lifetime of regular vessels docking expenses will normally be the period until next docking which if it is an intermediate survey is after 30 months and if it is a special survey is after 60 months.

When ships are acquired, a proportion of the acquisition cost is separated to periodic maintenance.

Depreciation on vessels and other assets (equipment) is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Vessels 30 years
- Vehicles 5 years
- Dry docking costs
 - Intermediate survey 2.5 Years
 - Special survey 5 Years
- Furniture, fittings and equipment 3 years

The assets' residual values and useful lifetime assumptions of fixed-assets are reviewed at each balance sheet date, and where they differ significantly from previous estimates, depreciation charges are changed accordingly.

Relocation costs

Relocation costs, for moving a vessel from one geographical location to another when entering a new charter agreement, are capitalized as a separate component for the vessel. The component is depreciated over the charter period on a straight line basis.

Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount.

Previous impairment charges, except writedown of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present. Reversal of previously recognized impairment is limited to the amount the carrying value of the asset would have been, had the initial impairment charge not taken place.

Inventories

Inventories are valued at the lower of purchase cost (according to the FIFO principle) and fair value.



Deep Sea Supply Shipowning III AS

Notes to the accounts for 2016

Debtors

Trade debtors are recognised in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial problems at the customers, the likelihood that the customer will become bankrupt or experience financial restructuring and postponements and insufficient payments, are considered indicators that the debtors should be written down.

Other debtors, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. When the effect of a writedown is insignificant for accounting purposes this is, however, not carried out. Provisions for bad debts are valued the same way as for trade debtors.

Foreign currencies

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as operating income and cost of goods sold.

Liabilities

Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.



Deep Sea Supply Shipowning III AS

Notes to the accounts for 2016

Note 2 Fixed assets

	Vessels and equipment	
	2016	2015
Purchase cost 01.01.	272 013	271 540
Additions	2 764	473
Purchase cost 31.12.	274 778	272 013
Accumulated depreciation 31.12.	20 101	11 196
Accumulated impairment 31.12.	91 433	64 494
Net book value 31.12.	163 243	196 324
Depreciation in the year	8 905	11 196
Impairment in the year	26 939	64 494

Note 3 Inventories

	2016	2015
Bunkers	536	524
Total	536	524

Note 4 Borrowings

Falling due between	2016	2015
1 - 3 years	140 640	146 176
3 - 5 years	0	0
More than 5 years	0	0
Total	140 640	146 176
Amortized cost	-1 321	-1 834
Total	139 319	144 342

In February 2013 the company entered into a loan facility agreement for the total amount of MUSD 164. The purpose of the loan is financing of the construction of the company's newbuild vessels. As a part of restructuring the company achieved refinancing for its long - term bank borrowings 29th of September.

Deep Sea Supply Plc undertakes to provide financial support to Deep Sea Supply Shipowning III AS to enable the company to meet its liabilities as and when they fall due.

	2016	2015
Liabilities secured by mortgage	139 319	144 342

Balance sheet value of assets placed as security:

	2016	2015
Vessels	163 243	196 324
Total	163 243	196 324



Deep Sea Supply Shipowning III AS

Notes to the accounts for 2016

Note 5 Balance with group companies, etc.

	Other debtors	
	2016	2015
Group companies	7 132	1 054
Other related companies	0	3 751
Total	7 132	4 805

	Other long term liabilities	
	2016	2015
Group companies	-33 101	-1 652
Other related companies	0	-30 110
Total	-33 101	-31 762

Transactions with related parties, etc.

Related parties are members of the board, management and other companies within the group.

During 2016, the company has rented out 1 vessel on a BB agreement of 5 months to the company DESS PSV IV Ltd.

Intercompany balances are charged with an interest of Libor + 2 % margin.

The calculations are prepared in arrears, quarterly, based on the average balance for the quarter passed.

Note 6 Shareholders' equity

Equity changes in the year	Share capital	Share premium	Other paid-in equity	Other equity	Total
Equity 01.01.	96	96 075	0	-54 824	41 347
Profit for the year	0	0	0	-37 553	-37 553
Equity 31.12.	96	96 075	0	-92 378	3 793

Note 7 Share capital and shareholder information

The share capital consists of 30 shares, each with a nominal value of NOK 26 936, 1 each.

All shares issued are fully paid in.

Deep Sea Supply Shipowning III AS is owned 100 % by Deep Sea Supply AS.

Deep Sea Supply AS is located in Storgaten 4, 4876 Grimstad.



Deep Sea Supply Shipowning III AS

Notes to the accounts for 2016

Note 8 Taxes

The company entered into the Norwegian shipping tax system as of 23.9.2015.

The company does not pay tonnage tax because of the size of the vessels.

Based on net taxable loss from finance the company has a loss carried forward as of 31.12.16 of kNOK 3 684.

Note 9 Freight revenue vessels

Geographical distribution	2016	2015
North Sea	5 947	8 153
Black Sea	0	16 619
Asia	-64	52
Australia	0	9 941
Mediterranean	2 695	266
Total	8 578	35 031

Note 10 Payroll expenses, number of employees, remunerations, loans to employees, etc.

There have been no employees in the company throughout the year.

No remuneration has been paid to Board of Directors during 2016.

No loans/sureties have been granted to the general manager, Board chairman or other related parties.

Expensed audit fee

	2016	2015
Statutory audit (incl. technical assistance with financial statements)	17	3
Other assurance services	4	0
Tax advisory fee (incl. technical assistance with tax return)	5	0
Other assistance (to be specified)	0	0
Total audit fees	26	3

Note 11 Operating expenses vessels

	2016	2015
Crew expenses	3 602	6 274
Insurance	535	758
Repairs and maintenance, lubrication oil, stores, supplies and miscellaneous	1 005	1 020
Administration expenses	748	733
Total	5 890	8 785

Note 12 Events after the balance sheet date

Deep Sea Supply Plc has announced that a merger will take place between the companies Solstad Offshore ASA, Farstad Shipping ASA and Deep Sea Supply Plc.

For further information, see press releases via the homepage of the group: www.deepseasupply.no



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 18.03.2016	Vår dato 29.03.2016
Telefon 22078139	Deres referanse Peter R. Elleson	Vår referanse 2016/247372

ADVOKATFIRMAET PRICEWATERHOUSECOOPERS AS
Postboks 447
4664 KRISTIANSAND S

PRICEWATERHOUSECOOPERS
INNKOMMET 31 MAR 2016

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres brev av 18. mars 2016 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

Deep Sea Supply Management AS	org.nr. 990 397 090
Deep Sea Supply Shipowning AS	org.nr. 986 847 839
Deep Sea Supply BTG AS	org.nr. 914 274 133
Deep Sea Supply Shipowning I AS	org.nr. 914 439 639
Deep Sea Supply Shipowning II AS	org.nr. 914 439 736
Deep Sea Supply Shipowning III AS	org.nr. 914 441 277

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

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

Bakgrunn

Deep Sea Supply Plc er et børsnotert selskap hjemmehørende på Kypros. Selskapet er morselskap i en konsernstruktur med datterselskaper i en rekke land (Kypros, Brasil, Malaysia, Singapore og Norge). I tillegg eier selskapet 50 % i et joint venture med den brasilianske investeringsbanken BTG Pactual. Joint venture er etablert i Norge med et felles holdingselskap og underliggende skipseiende selskaper. Konsernets hovedaktivitet er å eie og drive ankerhåndterings- og supplyfartøyer. Driften består av utleie av fartøyene på bareboat eller time charter. Konsernets virksomhet er verdensomspennende, med særlig fokus på Brasil, Nordsjøen, Sør-Øst-Asia og Afrika.

Deep Sea Supply Management AS og Deep Sea Supply Shipowning AS er heleid av Deep Sea Supply Plc. Joint venture med BTG Pactual består av holdingselskapet Deep Sea Supply BTG AS, som er eid 50/50 av Deep Sea Supply Plc og BTG. Dette selskapet har tre underliggende

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heleide skipseiende datterselskaper; Deep Sea Supply Shipowning I AS, Deep Sea Supply Shipowning II AS og Deep Sea Supply Shipowning III AS.

Bransjen selskapene tilhører er internasjonal og arbeidsspråket på verdensbasis er engelsk. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

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

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

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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapene er eid av utenlandsk selskaper. Eierkretsen er begrenset. Videre er det vektlagt at selskapene driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk språk.



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

