



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2018 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 892 043 612
Organisasjonsform: Aksjeselskap
Foretaksnavn: PB NORGE AS
Forretningsadresse: Rådhusgata 4
0151 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2018 - 31.12.2018

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: Halfdan Millang
Dato for fastsettelse av årsregnskapet: 03.02.2020

Grunnlag for avgivelse

År 2018: Årsregnskapet er elektronisk innlevert
År 2017: Tall er hentet fra elektronisk innlevert årsregnskap fra 2018

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, 01.05.2021



Resultatregnskap

Beløp i: NOK	Note	2018	2017
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	282 990 287	355 759 906
Sum inntekter		282 990 287	355 759 906
Kostnader			
Varekostnad		608 165	449 441
Lønnskostnad	4	59 560	57 278
Avskrivning på varige driftsmidler og immaterielle eiendeler	3	104 315 983	104 315 983
Annen driftskostnad	4	756 564	1 060 156
Sum kostnader		105 740 272	105 882 858
Driftsresultat		177 250 015	249 877 048
Finansinntekter og finanskostnader			
Annen renteinntekt		4 040	1 050
Agio	5	149 926 892	1 260 777
Sum finansinntekter		149 930 932	1 261 827
Nedskrivning av finansielle eiendeler		167 115 932	226 653 449
Annen finanskostnad		1 160	2 446
Sum finanskostnader		167 117 092	226 655 895
Netto finans		-17 186 160	-225 394 068
Ordinært resultat før skattekostnad		160 063 855	24 482 980
Ordinært resultat etter skattekostnad		160 063 855	24 482 980
Årsresultat		160 063 855	24 482 980
Overføringer og disponeringer			
Udekket tap		160 063 855	24 482 980
Sum overføringer og disponeringer		160 063 855	24 482 980



Balanse

Beløp i: NOK	Note	2018	2017
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Skip, rigger, fly og lignende	3	567 638 862	671 954 844
Sum varige driftsmidler		567 638 862	671 954 844
Sum anleggsmidler		567 638 862	671 954 844
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	6	305 946 843	312 405 118
Andre fordringer		114 748	75 251
Sum fordringer		306 061 591	312 480 369
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	7	1 506 523	1 484 927
Sum bankinnskudd, kontanter og lignende		1 506 523	1 484 927
Sum omløpsmidler		307 568 114	313 965 296
SUM EIENDELER		875 206 976	985 920 140
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		100 000	100 000
Sum innskutt egenkapital		100 000	100 000
Opptjent egenkapital			
Udekket tap		320 721 923	480 785 778



Balanse

Beløp i: NOK	Note	2018	2017
Sum opptjent egenkapital		-320 721 923	-480 785 778
Sum egenkapital		-320 621 923	-480 685 778
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Kortsiktig konserngjeld	9	1 182 853 152	1 451 206 566
Skyldige renter konsern		12 757 837	15 300 802
Tonnage tax	10	98 550	98 550
Annen kortsiktig gjeld		119 360	
Sum kortsiktig gjeld		1 195 828 899	1 466 605 918
Sum gjeld		1 195 828 899	1 466 605 918
SUM EGENKAPITAL OG GJELD		875 206 976	985 920 140



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 17.06.2016	Vår dato 20.06.2016
Telefon 22078139	Deres referanse SBR	Vår referanse 2016/635068

PriceWaterhouseCoopers AS
Postboks 748
0106 Oslo

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for PB Norge AS, org. nr. 892 043 612

— Vi viser til deres brev av 17. juni 2016 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for PB Norge AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering PB Norge AS 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 pålegges den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

PB Norge AS er helheiet av det russiske selskapet LLC Prime Shipping Holding. Selskapet driver med shippingvirksomhet. Dette er en internasjonal bransje og alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk. Alle selskap i konsernet er av det russiske morselskapet pålagt å utarbeide årsregnskapet og årsrapporten på engelsk. Styret har utenlandske medlemmer. 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

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Se www.skatteetaten.no
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Sentraltbord
800 80 000
Telefaks
22 17 08 60



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 selskapet er eiet av et utenlandsk selskap. Eierkretsen er begrenset. Styret har utenlandske medlemmer. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Inger Helene Iversen
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



To the General Meeting of PB Norge AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PB Norge AS, which comprise the balance sheet as at 31 December 2018, the income statement and cash flow statement 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 2018, 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 information in the annual report, except 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.

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



Independent Auditor's Report - PB Norge 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.

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

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 proposed allocation of the result 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.

(2)



Independent Auditor's Report - PB Norge AS

Other Matters

This audit report replaces our previous audit report as of 30 June 2019, which was issued at the statutory deadline for holding the annual shareholders meeting. Complete annual financial statements and Board of Directors report were at this point in time not submitted by the Board of Directors and Managing Director.

Oslo, 4 February 2020
PricewaterhouseCoopers AS



Sjur Hølsøter
State Authorised Public Accountant



Annual Report 2018

PB Norge AS

Operation

PB Norge AS (registration no 892 043 612, referred to as the "Company") was established 3 December 2007. The Company's objective is to conduct shipping activities. The Company has a total share capital of NOK 100.000 divided into 1.000 shares each with a value of NOK 100. The Company is located in Arendal, Norway.

The Company is 100 % owned by Prime Shipping Holding LLC, a Company incorporated under the Russian Federation Law. Prime Shipping Holding LLC is owned 47.5 % by Sberbank Investments LLC, Russia (100 % owned by Sberbank), 47.5 % by RN Commerce LLC (100% owned by Rosneft), and 5% by Prime Shipping LLC.

As of 31 December the Company owned a total of 18 vessels. All vessels are Sea River Tankers operated on fixed bareboat charter parties with Prime Shipping LLC. In 2015, the duration of the charter parties were extended through 29 July 2026 following the sale of the Company. All vessels are sub-chartered from Prime Shipping LLC to Rosneft Open Joint Stock Company as the end customer for a period through 28 August 2028. On 17 December 2018 an addendum to the Bareboat Charter was made for all vessels with amendments specifying yearly amount of hire and terms.

Financing

As of 31 December 2018 the Company has financed the vessels with an intercompany loan from Prime Shipping LLC denominated in RUB. The loan per 31 December 2018 amounted to RUB 9.477.990.000,-.

The Intercompany loan from Prime Shipping LLC is financed by a loan from Sberbank, which is secured by pledges in the vessels owned by the Company.

Liquidity

The Company's liquidity as per 31 December 2018 is satisfactory. The Board expects that the cash flow from the bareboat charters with Prime Shipping LLC will provide the Company with sufficient liquidity going forward to service obligations to third parties and related parties. The Company has received a letter from Prime Shipping LLC confirming that a repayment notice relating to the intercompany loan and accumulated interest will only be made provided the equity is rectified and the Company is appropriately funded, and that the receivable on Prime Shipping LLC will be duly settled in order to cover the obligations of the Company as they fall due.

Annual report 2018 – PB Norge AS



Progress and result

The Company's financial results show a profit of NOK 160.063.855,- which is proposed to be transferred to previous years accumulated loss.

As of 31 December 2018 the liquid assets were NOK 1.506.523,-.

At the financial statements closing date, the fleet value has been analyzed in order to identify any indicator of potential impairment. Based on this analysis, there has not been conducted any impairment of the fleet as no indicators of impairment were noted.

There have not occurred any circumstances of significant importance for the judgment of the Company's financial positions after the end of the financial year.

The annual accounts provide a true and fair view of the assets and liabilities, as well as the financial position and earnings of the Company, in accordance with the Norwegian Accounting Act.

Financial market risk

The Company is exposed to the risk of exchange rate fluctuations as the Company's core business is in the international market. However, since 28 August 2015, the Company has its income in RUB generated from long-term bareboat charters, and the Company's financing is in RUB. Considering this, we assume the risk of exchange rate fluctuation as very low.

Future prospects and solidity

The Board expects that the economic growth of the Company will secure the Company's solidity and ability to meet its obligations going forward.

Going concern

The Company's equity capital is lost and the Board has therefore considered the Company's financial situation with reference to requirements of the Companies Act & 3-5. The Board has considered: (i) the reason of the accumulated loss; (ii) the need for additional capital; (iii) the Company's existing funding. The Board has concluded that there is no need for additional capital or other measures to correct the Company's capital situation as the vessels runs in accordance with budget and the Company is expected to generate a positive operating cash flow going forward that will rectify the current equity situation.



Further as stated under the section "Liquidity" the Company has received a letter from Prime Shipping LLC that secures necessary access to liquidity and capital.

Based on this, the Board has concluded that the basis for the going concern assumption to be present.

External environment

The Company's vessels are employed in the transportation of oil products by sea and river with the risk this implies related to pollution. To reduce the risk of pollution, the company complies with requirements from class, IMO and other relevant authorities.

Any potential investments necessary in order to meet the new requirement by IMO2020, in case of non-availability of sulphur fuel, is regulated the Bareboat Charterer Agreement.

Work environment

There were no employees in the Company as of 31 December 2018. The Board consists of two men. The Company does not discriminate women or men.

The Board of Directors of PB Norge AS

Oslo, 30th June 2019

Halfdan Millang
MD and Chairman of Board of Directors

Andrey Bychenko
Director

Annual report 2018 – PB Norge AS



**Profit and Loss account
PB Norge AS**

All amounts in NOK

Operating income and operating expenses	Note	2018	2017
Operating revenue from group companies	2	282 990 287	355 759 906
Operating Income		282 990 287	355 759 906
Operational expenses		608 165	449 441
Depreciation expense	3	104 315 983	104 315 983
Other operating expenses	4	816 124	1 117 434
Operating expenses		105 740 272	105 882 858
Operating profit		177 250 015	249 877 048
Financial income			
Interest income		4 040	1 050
Currency gain	5	149 926 892	1 260 777
Financial income		149 930 932	1 261 827
Financial expenses			
Interest expense to group companies		167 115 932	226 653 449
Other financial expenses		1 160	2 446
Financial expenses		167 117 092	226 655 895
Net financial income and expenses		17 186 160	225 394 068
Profit (loss) for the year before tax		160 063 855	24 482 980
Company tax		-	-
Profit (loss) for the year after tax		160 063 855	24 482 980
Allocations & transfers			
Accumulated result		160 063 855	24 482 980
Total allocation and transfers		160 063 855	24 482 980

PB Norge AS



**Balance sheet
PB Norge AS**

All amounts in NOK

Assets	Note	2018	2017
Fixed assets			
Vessels	3	<u>567 638 862</u>	<u>671 954 844</u>
Total fixed assets		567 638 862	671 954 844
Current assets			
Receivables			
Accounts receivable from group companies	6	305 946 843	312 405 118
Other receivables		<u>114 748</u>	<u>75 251</u>
Total receivables		306 061 591	312 480 369
Cash and bank deposits	7	1 506 523	1 484 927
Total current assets		307 568 114	313 965 296
Total assets		<u>875 206 976</u>	<u>985 920 140</u>

PB Norge AS



**Balance sheet
PB Norge AS**

All amounts in NOK

Equity and liabilities	Note	2018	2017
Paid in Capital			
Share capital		100 000	100 000
Total paid in Capital		100 000	100 000
Retained earnings			
Accumulated result		-320 721 923	-480 785 778
Total retained earnings		-320 721 923	-480 785 778
Total equity	8	-320 621 923	-480 685 778
Liabilities			
Current liabilities			
Interest payable	9	12 757 837	15 300 802
Intercompany loan	9	1 182 853 152	1 451 206 566
Tonnage tax payable	10	98 550	98 550
Other short term liabilities		119 360	-
Total short term liabilities		1 195 828 899	1 466 605 918
Total liabilities		1 195 828 899	1 466 605 918
Total equity and liabilities		875 206 976	985 920 140

Oslo, 30th June 2019
Board of Directors of PB Norge AS

Halfdan Millang
MD and Chairman of the Board of Directors

Andrey Bychenko
Director

PB Norge AS



Cash Flow Statement PB Norge AS

All amounts in NOK

Cash flow from operational activities	2018	2017
Result after tax	160 063 855	24 482 980
Depreciations	104 315 983	104 315 983
Change in accounts receivable	17 448 633	-117 061 679
Change in other receivable	-39 497	119 536
Change in account payable	-1 209 925	11 143 469
Effect of exchange rate changes	-199 080 933	-10 240 330
Net cash from operational activities	81 498 116	12 759 959

Cash flow from investment activities

Net cash flow from investment activities	-	-
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Cash flow from financing activities

Repayments of long term debt	-81 476 520	-12 031 320
Net cash flow from financing activities	-81 476 520	-12 031 320

Net changes in cash and cash equivalent	21 596	728 639
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Cash and cash equivalents at 01.01	1 484 927	756 288
Cash and cash equivalents at 31.12	1 506 523	1 484 927

PB Norge AS



Notes to the Financial Statement PB Norge AS

Note 1: Accounting principles:

General information

The accounts have been drafted in accordance with the Norwegian Accounting Act of 1998 and drafted in accordance with accounting practices generally accepted in Norway (NGAAP).

Balance sheet classification

Fixed assets are assessed at cost but are written down to fair value when the decrease of value is not expected to be transitory. Fixed assets with finite economic lifespans are depreciated on a linear basis. Receivables to be repaid within one year are classified as current assets. Current assets are assessed at the lower of acquisition cost or fair value. Corresponding criteria form the basis when classifying short-term and long-term liabilities. Long-term debt comprises external mortgage loans. Long-term liabilities are recognized at the nominal amount received at the draw down date. Instalments within 12 months after balance sheet date are classified as short-term debt. Short term liabilities are recognized at the nominal amount received at the date of the transaction. Certain items are assessed according to other rules as explained below.

Tax

The taxation of the company is based on the rules of companies under the Norwegian tonnage tax system. This implies that the company is taxed for financial income and receives reduction for a share of interest expenses calculated as a share of financial assets. Negative tax result can be deferred against later years positive tax result.

Revenue recognition

Revenues are recognised on an accrual basis. Revenues are generated from bareboat charter hires. Bareboat charter revenues are recorded over the term of the charter as a service is provided.

Tangible fixed assets

Tangible fixed assets are recorded in the balance sheet at cost less accumulated depreciation. The company's tangible fixed assets are vessels. Depreciation is linear and based on an assessment of the assets remaining useful lifespan. At each financial statements closing date, tangible fixed assets are analyzed in order to identify any indicator of potential impairment. In case there is an indicator of impairment, the recoverable amount of the fixed asset is determined. The recoverable amount of the fleet is estimated at least once a year during the same period of each financial year. The recoverable amount is the higher of an assets net selling price and its value in use. In order to determine loss of value of the fleet, the Company has identified a single CGU that coincides with the entire fleet when the fleet consists of sister vessels employed having a similar commercial employment. Therefore, in order to verify whether there is any loss of value of the vessels, the assessments are made based on the entire fleet consisting of similar vessels. The loss of value of the vessels, if any is attributed to individual vessel according to the mechanisms of proportionality. An impairment loss is accounted for in the income statement when an asset's carrying amount or the value of the CGU to which it is allocated, exceeds its recoverable amount. In this case, the value previously reduced due to losses is restored, within the limits of the carrying amount that would be determined if the impairment had never been recorded. This takes place only when the impairment loss no longer exists or when there has been change in the estimates used to determine the recoverable amount.

Dry docking

Vessel repair and maintenance cost are expensed when incurred. The Company capitalises the cost of a dry docking at the time the dry-docking takes place, and amortise the capitalised cost through the date of the next scheduled dry docking. Under the bareboat contracts that all vessels are currently operated under, repair, maintenance and dry docking costs are the responsibility of the charterer. Thus, no periodic maintenance or dry-docking have been capitalized or carried out at the historic cost of the vessels.

Receivables

Trade debtors and other receivables are posted at nominal after provision for loss has been deducted. Provision for loss made on the basis of an individual assessment of each receivable.

PB Norge As



**Notes to the Financial Statement
PB Norge AS**

Foreign currency translation and exchange rates

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate on the balance sheet date. Changes to exchange rates are recognised in the income statement as financial items as they occur during the accounting period.

The following exchange rates are used in the accounts for currency convention to NOK per 31st December 2018:

USD	8,6885
EUR	9,9483
RUB	0,12480

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less. The Company does not have restricted cash balances as of 31.12.2018.



**Notes to the Financial Statement
PB Norge AS**

Note 2: Income

As of 31.12.2018 the company owned a total of 18 vessels. All the vessels are Sea River Tankers and are all fixed on bareboat charter-parties with the related party Prime Shipping LLC.

Bareboathire:

Name of vessel	2018		2017	
	No. Of days	Amount NOK	No. Of days	Amount NOK
Assia	365	15 721 683	365	19 764 439
Aura	365	15 721 683	365	19 764 439
Calliope	365	15 721 683	365	19 764 439
Climene	365	15 721 683	365	19 764 439
Cloe	365	15 721 683	365	19 764 439
Dafne	365	15 721 683	365	19 764 439
Doride	365	15 721 683	365	19 764 439
Elektra	365	15 721 683	365	19 764 439
Enceladus	365	15 721 683	365	19 764 439
Garmonia	365	15 721 683	365	19 764 439
Gheba	365	15 721 683	365	19 764 439
Gloria	365	15 721 683	365	19 764 439
Japetus	365	15 721 683	365	19 764 439
Kore	365	15 721 683	365	19 764 439
Maia	365	15 721 683	365	19 764 439
Penelope	365	15 721 683	365	19 764 439
Tethys	365	15 721 683	365	19 764 439
Teti	365	15 721 683	365	19 764 439
Total		282 990 287		355 759 906

Note 3: Fixed assets:

The company took delivery of 9 vessels in 2010, 6 vessels in 2011 and additional 4 vessels in 2012. One vessel was sold in 2012. The company owns 18 vessels at 31.12.2018. The vessels are depreciated over an expected economic lifespan of 13 years. The vessels are depreciated on a linear basis.

The company has not incurred and capitalized any dry docking costs in 2018 as this has been covered by the charterer under the bareboat charter parties.

The company has considered impairment indicators and has concluded that there are no indicators of impairment that has triggered a need to perform an impairment test.

The vessels are being pledged as collateral on Sberbank loan to Primeshipping LLC.

	31.12.2018	31.12.2017
Purchase cost 01.01.	1 378 176 858	1 378 176 858
Additions	0	0
Sales and disposals	0	0
Cost of acquisition 31.12.	1 378 176 858	1 378 176 858
Accumulated depreciation and impairment 01.01	706 222 013	601 906 030
Depreciation 31.12.	104 315 983	104 315 983
Impairment 31.12.	0	-
Accumulated depreciation 31.12.	810 537 996	706 222 013
Carrying value 31.12.	567 638 862	671 954 844

PB Norge AS



Notes to the Financial Statement
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Note 4: Other operating expenses

Other operating cost consists of:	2018	2017
Corporate Management fee	-	-
Accounting services	382 528	370 762
Auditors remuneration	159 000	359 000
Fee to lawyer	47 444	144 760
Other honorarium	-	56 290
Directors remuneration incl. Tax	59 560	57 278
Bank charges	9 242	14 070
Tonnage tax	98 550	98 550
Other costs	59 800	16 724
Total	816 124	1 117 434
Auditors remuneration consists of:		
Audit fee	159 000	359 000
Other services	-	-
Total	159 000	359 000

VAT is not included in the fee to auditor stated above.

The company has no employees. It is not compulsory for the company to establish mandatory occupational pension.

Note 5: Currency exchange gain and (loss):

Exchange differences consists of:	2018	2017
Unrealized exchange differences - loan	188 090 574	2 564 319
Realized exchange differences - loan	-1 213 680	-1 529 640
Unrealized exchange differences - other items	-22 752 612	-11 607 272
Realized exchange differences - other transactions	-14 197 390	11 833 370
Total	149 926 892	1 260 777

Note 6: Receivables from group companies

	2018		2017	
	USD	NOK	USD	NOK
PB Volga Ltd. Cyprus	1 415 169	12 295 697	1 415 169	11 700 619
	RUB	NOK	RUB	NOK
Prime Shipping LLC. Russia	2 352 973 924	293 651 147	2 096 963 034	300 704 499
Total		305 946 844		312 405 118



Notes to the Financial Statement PB Norge AS

Note 7: Cash and bank deposit

Currency	2018			2017		
	Balance	Rate	NOK	Balance	Rate	NOK
NOK	1 031 796	1	1 031 796	357 346	1	357 346
USD	-	8,6885	-	64 297	8,2680	531 611
GBP	-	11,1213	-	921	11,1155	10 239
SGD	-	6,3808	-	464	6,1792	2 866
EUR	-	9,9483	-	-151	9,8670	-1 489
RUB	3 803 902	0,12480	474 727	4 074 996	0,14340	584 354
Total			1 506 523			1 484 927

Note 8: Equity

The share capital consist of 1 000 shares of NOK 100 each. All shares have the same voting rights. All shares are owned by Prime Shipping Holding LLC. The company does not own its own shares.

2018			
Equity	Share capital	Accumulated result	Total
Opening balance 01.01	100 000	-480 785 778	-480 685 778
Annual result		160 063 855	160 063 855
Equity 31.12.	100 000	-320 721 923	-320 621 923

PB Norge As is consolidated into the group accounts of the parent company Prime Shipping Holding LLC. The consolidated financial statements are available in the registered office of Prime Shipping Holding LLC in Samara, Russia.

Note 9: Intercompany loan and interest payable

Lender	2018		2017	
	RUB	NOK	RUB	NOK
Prime Shipping LLC	9 477 990 000	1 182 853 152	10 119 990 000	1 451 205 566
Total		1 182 853 152		1 451 205 566

The loan from a related party, Prime Shipping LLC, has an interest rate of 12.65 %. (2017: 15,65%)
The loan agreement shall be in force until 29.07.2026, on this date the loan should be repaid including accumulated interest. The lender has a right to demand early repayment of the loan and accrued interest at any time in this period.
As per year end total interest payable on the loan is RUB 102.226.243 equal to NOK 12.757.837 booked as interest payable.

PB Norge AS



Notes to the Financial Statement PB Norge AS

Note10: Tax under the Norwegian tonnage tax system

	31.12.2017	31.12.2018	Average 31.12.2018	31.12.2017
Financial assets	313 965 296	307 510 092	310 737 694	248 727 581
Total capital	985 920 140	875 148 954	930 534 547	972 840 416
Financial assets in %	31,84 %	35,14 %	33,39 %	25,57 %
Actual interest cost long term debt			-167 115 932	-226 653 449
Share of interest cost long term debt			-55 805 794	-57 948 830
Exchange differences gain/loss short term items			151 140 572	2 790 417
Share of exchange differences short term items			50 471 068	713 489
Exchange differences gain/loss long term items established after 2005			-1 213 680	-1 529 640
Share of realised exchange differences gain/loss long term items established after 2005			-405 290	-391 117
Total taxable exchange differences gain/loss			50 065 779	322 372
Financial income/financial cost				
Interest income			4 040	1 050
Taxable currency gain/deductable currency loss			50 065 779	322 372
Deductible interest expense long term debt (Norwegian tonnage tax regime)			-4 999 999	-4 999 999
Other finance cost			-	-
Total net financial income			45 069 820	-4 676 578
Use of loss carried forward			-45 069 820	-
Final taxable income/loss			-	-4 676 578
Tax payable			-	-
Loss carried forward			-49 288 639	-44 612 062
Total losses carried forward			-4 218 819	-49 288 639
Interest deduction carried forward 31.12			-35 265 233	-35 265 233
Total tax losses and interest deductions carried forward			-39 484 052	-84 553 872
Deferred tax asset (22% /23%)			8 686 491	19 447 391

Deferred tax assets are not recognized in the balance sheet, as it is not probable that these can be utilized in the future. Tax losses have no expiry date. Interest deductions carried forward may be utilized within 10 years.

2017 figures restated



Notes to the Financial Statement
PB Norge AS

Tonnage tax

Name of vessel	Net tonnage	From date	to date	No. Of days	Tonnage tax 2018	Tonnage tax 2017
Calliope	2000	01.01.2018	31.12.2018	365	6 570	6 570
Dafne	2000	01.01.2018	31.12.2018	365	6 570	6 570
Teti	2000	01.01.2018	31.12.2018	365	6 570	6 570
Penelope	2000	01.01.2018	31.12.2018	365	6 570	6 570
Gheba	2000	01.01.2018	31.12.2018	365	6 570	6 570
Cløe	2000	01.01.2018	31.12.2018	365	6 570	6 570
Mayya	2000	01.01.2018	31.12.2018	365	6 570	6 570
Enceladus	1000	01.01.2018	31.12.2018	365	-	-
Japetus	1000	01.01.2018	31.12.2018	365	-	-
Tethys	1000	01.01.2018	31.12.2018	365	-	-
Gloria	2000	01.01.2018	31.12.2018	365	6 570	6 570
Garmonia	2000	01.01.2018	31.12.2018	365	6 570	6 570
Climene	2000	01.01.2018	31.12.2018	365	6 570	6 570
Assia	2000	01.01.2018	31.12.2018	365	6 570	6 570
Aura	2000	01.01.2018	31.12.2018	365	6 570	6 570
Doride	2000	01.01.2018	31.12.2018	365	6 570	6 570
Elektra	2000	01.01.2018	31.12.2018	365	6 570	6 570
Kore	2000	01.01.2018	31.12.2018	365	6 570	6 570
					98 550	98 550