



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 925 369 330
Organisasjonsform: Aksjeselskap
Foretaksnavn: NORMAND SHIPS AS
Forretningsadresse: Nesavegen 39
4280 SKUDENESHAVN

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

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: Eirik Vikingstad
Dato for fastsettelse av årsregnskapet: 14.06.2022

Grunnlag for avgivelse

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

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 03.08.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Freight revenue	2, 4	127 389 000	36 199 000
Other income	2	2 111 000	497 000
Sum inntekter		129 501 000	36 696 000
Kostnader			
Operating expenses ship		26 119 000	8 714 000
Crew operating expenses ship	3, 4	57 568 000	18 148 000
Depreciation and amortisation expenses	6	27 336 000	3 861 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	6		
Other expenses	3, 4	10 196 000	3 884 000
Sum kostnader		121 219 000	34 606 000
Driftsresultat		8 282 000	2 090 000
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	7		
Other financial income		33 000	27 781 000
Sum finansinntekter		33 000	27 781 000
Annen rentekostnad		17 956 000	3 848 000
Other financial expenses		13 084 000	10 921 000
Sum finanskostnader		31 041 000	14 769 000
Netto finans		-31 007 000	13 012 000
Ordinært resultat før skattekostnad		-22 725 000	15 102 000
Income tax expense	5	-3 377 000	
Ordinært resultat etter skattekostnad		-19 348 000	15 102 000
Årsresultat	9	-19 348 000	15 102 000
Årsresultat etter minoritetsinteresser		-19 348 000	15 102 000
Totalresultat		-19 348 000	15 102 000



Resultatregnskap

Beløp i: NOK	Note	2021	2020
Overføringer og disponeringer			
Reserve for valuation differences	9		
Transferred from reserve for valuation variances	9		
Ordinært utbytte	9		
Tilleggsutbytte	9		
Ekstraordinært utbytte	9		
Konsernbidrag	9, 9		
Udekket tap	9, 9		
Other equity	9		
Transferred from other equity	9	-19 348 000	15 102 000
Sum overføringer og disponeringer		-19 348 000	15 102 000



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	5		
Varige driftsmidler			
Vessels	6	631 676 000	635 695 000
Capitalized periodic maintenance	6	37 472 000	25 334 000
Equipment and other movables	6		
Sum varige driftsmidler		669 147 000	661 029 000
Finansielle anleggsmidler			
Lån til foretak i samme konsern	7		
Other long-term receivables		281 000	277 000
Sum finansielle anleggsmidler		281 000	277 000
Sum anleggsmidler		669 428 000	661 306 000
Omløpsmidler			
Varer			
Sum varer		744 000	1 965 000
Fordringer			
Accounts receivables	7	29 908 000	17 785 000
Other short-term receivables		21 218 000	4 303 000
Sum fordringer		51 125 000	22 089 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents		24 560 000	52 221 000
Sum bankinnskudd, kontanter og lignende		24 560 000	52 221 000
Sum omløpsmidler		76 429 000	76 275 000
SUM EIENDELER		745 857 000	737 580 000



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	8, 9	30 000	30 000
Beholdning av egne aksjer	8, 9		
Overkurs	9	93 498 000	
Annen innskutt egenkapital	9	11 972 000	
Sum innskutt egenkapital		105 500 000	30 000
Opptjent egenkapital			
Reserve for valuation variances	9		
Other equity	9	-126 921 000	15 102 000
Udekket tap	9		
Sum opptjent egenkapital		-126 921 000	15 102 000
Sum egenkapital		-21 421 000	15 132 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	5		
Annen langsiktig gjeld			
Konvertible lån	10		
Obligasjonslån	10		
Gjeld til kredittinstitusjoner	10	699 171 000	689 150 000
Langsiktig konserngjeld	7	29 639 000	
Sum annen langsiktig gjeld		728 810 000	689 150 000
Sum langsiktig gjeld		728 810 000	689 150 000
Kortsiktig gjeld			
Leverandørgjeld		1 545 000	445 000
Tax payable	5		
Kortsiktig konserngjeld	7	26 429 000	22 653 000
Other current liabilities		10 494 000	10 202 000
Sum kortsiktig gjeld		38 468 000	33 299 000
Sum gjeld		767 279 000	722 448 000



Balanse

Beløp i: NOK	Note	2021	2020
SUM EGENKAPITAL OG GJELD		745 857 000	737 580 000
POSTER UTENOM BALANSEN			
Garantistillelser	10		
Pantstillelser	10		



Skatteetaten

Vår dato
24.06.2022

Din/Deres dato
09.06.2022

Saksbehandler
Thor-Petter Sørli

800 80 000
Skatteetaten.no

Din/Deres referanse
AR493325299

Telefon
41 33 44 77

Org.nr
974761076

Vår referanse
2022/5543763

Postadresse
Postboks 9200 Grønland
0134 OSLO

SOLSTAD SHIPHOLDING AS
Nesavegen 39
4280 SKUDENESHAVN

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til deres søknader om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for følgende selskap:

995 635 437 Solstad Supply AS
825 100 822 Solstad Subsea Holding AS
817 921 442 Solstad Superior AS
977 228 476 Solstad Shipping AS
925 101 192 Solstad Shipowning Holding AS
824 826 692 Solstad Shipholding AS
977 228 212 Solstad Rederi AS
925 101 087 Solstad Operations Holding AS
995 542 692 Solstad Mexico AS
925 100 765 Solstad Management Holding AS
982 184 371 Solstad Management AS
925 100 773 Solstad Brasil Holding AS
982 790 077 Solstad Brasil AS
925 101 214 Solship Invest 4 AS
917 635 242 Solship AS
925 369 217 Normand Ships Operations AS
925 369 330 Nordmand Ships AS
939 170 154 Nordmand Chartering AS

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapene dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.



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

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

Bakgrunn

Fra søknadene siteres:

«Begrunnelse for ønske om dispensasjon er at selskapets virksomhet er holdingselskap med datterselskap som driver innenfor internasjonal bransje (shipping), hvor kommunikasjon går på engelsk. Samtidig benytter det vesentlige av kunder, leverandører og andre forretningsforbindelser i selskapet og datterselskap engelsk som forretningsspråk.

Ultimat morselskap (Solstad Offshore A SA) har dispensasjon til å utarbeide åregnskap og årsberetning på engelsk.»

Skattekontorets 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 mv., 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, kunder og lokalsamfunnet.

Det er etter skattekontorets 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 dette tilfellet er det opplyst at kommunikasjon med de fleste av kunder og leverandører skjer på engelsk. En vesentlig andel av selskapenes foretningsforbindelser er engelskspråklige og vil ikke ha mulighet for å forstå årsregnskap og årsberetning på norsk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lene Bjørkevoll
underdirektør
Innsats, storbedrift
Skatteetaten

Thor-Petter Sørli

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



Annual Report 2021

Normand Ships AS



Directors' Report

Income statement

Balance sheet

Cash flows

Notes to the Accounts



NORMAND SHIPS AS

ANNUAL REPORT 2021

The company is a wholly owned subsidiary of the publicly traded holding company Solstad Offshore ASA. The group's objective is to conduct integrated shipping operations with advanced vessels in its market segments, utilizing owned or chartered vessels. The operations are primarily the provision of maritime services to the oil and gas and renewable energy industries.

Normand Ships AS owns 2 PSV's and 1 CSV which has been on charter with external or internal parties throughout the 2021.

The business is run from Skudeneshavn, Karmøy.

The activity in the Company is expected to be on stable in 2022 compared to 2021, as the vessels are on long-term contracts with charterers.

Market risk

Market and operational risks are changes in demand for and prices of the services provided by the Company, and potential adverse effects of the provision of such services. The vessels are on long-term contracts, reducing short-term market risk.

Credit risk

The risk of customers not being able to fulfill their liabilities is considered low. The customer base consists of economically solid counterparts and historical losses have been limited.

Liquidity risk

Cash and cash equivalents equal approximately MNOK 25 as of 31.12.2021. The liquidity is considered satisfactory considered future obligations.

The company has no employees and therefore no measures regarding gender equality have been implemented or planned. The company's board of directors consist of two men and no women. The company is committed to the group guidelines for work environment and to avoid any form of discrimination related to age, gender, religion, ethnic background etc.

The company's operations have not polluted the environment beyond what is considered normal during operation.

In the Board's opinion, the presented income statement and balance sheet with accompanying notes and cash flow statement give a true and fair view of the financial position of the Company pr 31.12.2021. The annual accounts are prepared on the assumption of a going concern. The equity in the Company is negative with MNOK 37, however broker values of vessels exceed book value, indicating a real equity that is positive. The liquidity situation is considered satisfactory, while the Company is long-term financed.

The directors and officers are covered under a "Director and Officer Liability Insurance". The insurance covers personal legal liabilities including defense and legal expense. The cover also



includes employees in managerial positions or employees who serves as Directors in non-subsiaries to safeguard the interest of the Company.

In 2021 the Company has merged with SOFO Skude AS and SOFO Falnes AS, which partly explains the deviation between operating result and cash flow from operations.

The result in 2021 was a loss of NOK 19 348 490, compared to profit of NOK 15 101 741 in 2020. The board proposes the profit be transferred to uncovered loss. Based on this proposed disposition the company's book equity was negative by NOK 21 421 336 at year end.

Skudeneshavn, 14.06.2022

Lars Peder Solstad
Chairman of the board /
managing director

Kjetil Ramstad
Member of the board

Eivind Kvilhaug
Member of the board



Income statement

Normand Ships AS

Values in 1000 NOK	Note	2021	19.06.2020-31.12.2020
Operating income and operating expenses			
Freight revenue	2, 4	127 389	36 199
Other income	2	2 111	497
Total income		129 501	36 696
Operating expenses			
Operating expenses ship		26 119	8 714
Crew operating expenses ship	3, 4	57 568	18 148
Depreciation and amortisation expenses	6	27 336	3 861
Other expenses	3, 4	10 196	3 884
Total expenses		121 219	34 606
Operating profit		8 282	2 090
Financial income and expenses			
Other financial income		33	27 781
Other interest expenses		17 956	3 848
Other financial expenses		13 084	10 921
Net financial items		-31 007	13 012
Net profit before tax		-22 725	15 102
Income tax expense	5	-3 377	0
Net profit after tax		-19 348	15 102
Net profit or loss	9	-19 348	15 102
Attributable to			
Transferred from other equity	9	19 348	-15 102
Total		-19 348	15 102



Balance sheet

Normand Ships AS

Values in 1000 NOK	Note	2021	2020
Assets			
Non-current assets			
Property, plant and equipment			
Vessels	6	631 676	635 695
Capitalized periodic maintenance	6	37 472	25 334
Total property, plant and equipment		669 147	661 029
Non-current financial assets			
Other long-term receivables		281	277
Total non-current financial assets		281	277
Total non-current assets		669 428	661 306
Current assets			
Inventories		744	1 965
Debtors			
Accounts receivables	7	29 908	17 785
Other short-term receivables		21 218	4 303
Total receivables		51 125	22 089
Cash and cash equivalents		24 560	52 221
Total current assets		76 429	76 275
Total assets		745 857	737 580



Balance sheet

Normand Ships AS

Values in 1000 NOK	Note	2021	2020
Equity and liabilities			
Equity			
Paid-in capital			
Share capital	8, 9	30	30
Share premium reserve	9	93 498	0
Other paid-up equity	9	11 972	0
Total paid-up equity		105 500	30
Retained earnings			
Other equity	9	-126 921	15 102
Total retained earnings		-126 921	15 102
Total equity		-21 421	15 132
Liabilities			
Other non-current liabilities			
Liabilities to financial institutions	10	699 171	689 150
Non-current liabilities to group companies	7	29 639	0
Total non-current liabilities		728 810	689 150
Current liabilities			
Trade payables		1 545	445
Liabilities to group companies	7	26 429	22 653
Other current liabilities		10 494	10 202
Total current liabilities		38 468	33 299
Total liabilities		767 279	722 448
Total equity and liabilities		745 857	737 580



Balance sheet

Normand Ships AS
Skudeneshavn, 14.06.2022

The board of Normand Ships AS

Lars Peder Solstad

chairman of the board/General Manager

Eivind Kvilhaug

member of the board

Kjetil Ramstad

member of the board



Indirect cash flow

Normand Ships AS

	Note	2021	2020
Cash flows from operating activities			
Profit/loss before tax		-22 725	15 102
Ordinary depreciation		27 336	3 861
Change in short-term receivables/payables		-8 735	5 312
Effect of exchange rate fluctuations		13 052	0
Change in other accrual items		-8 917	3 657
Net cash flows from operating activities		11	27 931
Cash flows from investment activities			
Payments to buy tangible assets		-14 554	-638 415
Payment of periodic maintenance		-20 900	-26 475
Net cash flows from investment activities		-35 454	-664 890
Cash flows from financing activities			
Proceeds from the issuance of new long-term liabilities		0	689 150
Repayment of long-term liabilities		4 125	0
Repayments of equity		0	30
Net cash flows from financing activities		-4 125	689 180
Net change in cash and cash equivalents		-39 568	52 221
Cash and cash equivalents at the start of the period		52 221	0
Cash addition through mergers		11 907	0
Cash and cash equivalents at the end of the period		24 560	52 221



Note 1 Accounting principles

Generally

The annual accounts are set up in accordance with the Accounting Act and good accounting practice in Norway. The accounting principles are described below.

The company is included in the consolidated accounts of Solstad Offshore ASA, which has a registered office in Skudeneshavn. The consolidated financial statements for the company can be received by contacting Solstad Offshore, or from the company's website, www.solstad.com.

Mergers

The Company has merged with SOFO Falnes (org. nr. 995 691 582) and SOFO Skude (org. nr. 988 392 294) in 2021. The mergers are accounted for with continuation of book values.

Use of estimates

In connection with the preparation of the accounts, estimates and assumptions that affect the accounts are used. Actual figures may differ from the assessments made at the close of the financial statements.

Currency

Cash and cash equivalents in foreign currency are presented at market exchange rates on the date of the balance sheet. Following closing rates is used:

	GBP	USD	EUR
As of 31.12.20	11,6462	8,5326	10,4703
As of 31.12.21	11,8875	8,8194	9,9888

Borrowing costs

Borrowing costs are recognised in the balance sheet at the time of borrowing and are expensed in duration of the loan.

Current assets/current liabilities

Current assets and current liabilities normally include items that are due for payment within one year of the balance sheet date, as well as items related to the commodity cycle. Current assets are valued at the lowest value of acquisition cost and assumed fair value.

Accounts receivable

Receivables are listed at face value with a deduction for expected losses.

Tangible fixed assets and depreciation

Fixed assets are listed in the balance sheet at acquisition cost, including activated building loan rates. Depreciation is straight-line and adjusted for residual value and any write-downs. Residual value is the estimated amount that is assumed to have been received today in the event of divestment of the asset, after deduction of costs in connection with the divestment, based on the fact that the asset's age and condition were already equal to expected at the end of the asset's useful life.

Book value of fixed assets on the balance sheet is the cost price with deductions for accumulated depreciation and write-downs.

Each part of an operating asset that is significant in relation to the total cost price is identified separately and is depreciated over the component's useful life. The ships are decomposed into the following constituent parts; hull, anchor handling, loading and unloading equipment, main and auxiliary motor, thrusters, DP and lifting equipment and other equipment. Based on the Group's periodic maintenance programme and the ongoing replacement of the ships' vital parts, the estimated service life is set at 30 years for all components,



with the exception of periodic maintenance.

The assumptions about the residual value and the expected useful life of fixed assets are assessed annually in connection with the accounting close. In the event of significant changes from previous estimates, depreciation changes accordingly. When the estimated useful life changes, depreciation changes prospectively.

The estimated service life of ships affects the accounting depreciation. The service life of the individual components on the ships is based on the nature and gained experience of wear and tear within each component group. The expected service life for the ships is 20 years.

The residual value of ships affects the size of the accounting depreciation. The company use market values/broker estimates as a starting point in the calculation of the ship's residual value. The brokerage estimates, less any sales-related costs, are multiplied by a percentage that depends on the age of the ships. The percentage is 50% for a new building and is increasing to 100% for a 20-year-old ship.

Other fixed assets are depreciated based on 10-20 years of economic life. Gains on the sale of ships and construction contracts are recognised as operating revenues, as sales are considered to be part of the company's ordinary business.

If there are indications of inferior values associated with fixed assets, calculations of the recoverable amount are carried out. If the recoverable amount of the asset is lower than the book value, write-downs are made to the recoverable amount. The recoverable amount is the highest of the net sales value and value in use. Value in Use is the present value of the future cash flows that the asset will generate.

Capitalized periodic maintenance (docking)

The decision criteria that form the basis for the scope of repair when docking indicate that this is regarded as investment decisions. The costs are recognised in the balance sheet and depreciated over the period up to the next docking, normally 30-60 months. When purchasing ships, acquisition costs are decomposed in ships and capitalised docking. Ordinary maintenance costs are charged to the operating profit when the maintenance takes place.

Revenue recognition

Income and expenses related to the charter parties are accrued based on the number of days the journey lasts before and after the end of the accounting period.

Classification of items in the balance sheet and income statement

Assets destined for permanent ownership or use and receivables due later than one year from the end of the financial year are listed as fixed assets. Other assets are classified as short-term.

Debt due later than one year after the end of the financial year is listed as long-term debt. Other liabilities are classified as short-term.

Conditional outcomes

Contingent losses that are probable and quantifiable are expensed. Conditional gains/income are not recognised as income.

Taxes / Deferred tax

Deferred tax is calculated according to the debt method by 22% on the basis of temporary differences between accounting and tax values that exist at the end of the financial year, and tax deficits for performance. Tax-increasing and tax-reducing temporary differences have been settled and recognised net.



Cash flow statement

The company uses the indirect method. Investments in equities and other liquids with maturity over 3 months are not included under cash equivalents.

Note 2 Revenue

	2021	2020
Freight revenue	127 389	36 199
Other operating income	2 111	497
Total revenue	129 501	36 696

Segments (ship type and geographical location)

Platform supply ship	92 535	25 709
Construction service ship	34 855	10 490
Total	127 389	36 199
Europe	106 102	36 199
Asia	21 287	0
	127 389	36 199

Note 3 Note Salary costs and benefits, remuneration to the chief executive, board and auditor

The company has no employees, and is thus not obliged to have an occupational pension scheme. Salary is relates to hired staff. There are also no special bonuses or option programs for members of the board.

Crew costs have been reduced by NOK 21 960 in reimbursements related to the net salary scheme. The refunds are received by Solstad Shipping AS, which is the employer for the employees on board. The corresponding amount for 2020 was 3 809.

Auditor

Audit fees expensed for 2021 amount to NOK 165.
In addition there is a fee for other services of NOK 245.
The amounts are exclusive of VAT.



Note 4 Related party transactions

The following internal transactions have taken place

Crew cost	2021	2020
Solstad Offshore Crewing Services Pte Ltd.	4 697	712
Solstad Shipping AS	43 915	14 768
Sum	48 612	15 479

Management fee expense	2021	2020
Solstad Shipping AS	10 382	2 438
Sum	10 382	2 438

Bareboat / TC income	2021	2020
Normand Ships Operations AS	21 856	0
Sum	21 856	0

Note 5 Tax

This year's tax expense	2021	2020
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	-3 377	0
Tax expense on ordinary profit/loss	-3 377	0

Taxable income:		
Ordinary result before tax	-22 725	15 102
Permanent differences	10	1
Changes in temporary differences	-72 857	-111 993
Received intra-group contribution	15 349	0
Taxable income	-80 223	-96 890

Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2021	2020	Difference
Tangible assets	184 459	111 993	-72 467
Profit and loss account	-1 560	-1 950	-390
Total	182 899	110 043	-72 857

Accumulated loss to be brought forward	-518 376	-438 152	80 223
Cut interest deduction	-18 326	-18 326	0
Not included in the deferred tax calculation	353 802	346 436	-7 367

Deferred tax assets (22 %)	0	0	0
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Deferred tax not included in the balance sheet.



Note 6 Fixed assets

	Vessel	Capitalized periodic maintenance	Sum
Acquisition cost as at 01.01.2021	638 415	26 475	664 890
Addition of purchased fixed assets	14 554	20 900	35 454
Acquisition cost 31.12.2021	652 969	47 375	700 344
Depreciation and write-downs as at 01.01.2021	-2 719	-1 141	
Accumulated depreciation and impairment	-21 293	-9 903	696 483
Book value 31.12.2021	631 676	37 472	1 396 827
The year's depreciation	18 574	8 762	27 336
The year's impairment	0	0	0
Depreciation period	20 years	5 years	

Note 7 Inter-company items between companies in the same group

Short term receivables	2021	2020	Interest rate
Solstad Management AS	193	0	0%
Normand Ships Operations AS	38 215	0	0%
Solstad Offshore Crewing Services P.	166	0	0%
Total	38 575	0	

Short term debt	2021	2020	Interest rate
Rem Ships AS	0	2 751	0%
Solstad Rederi AS	185	0	0%
Solstad Offshore Crewing Services	0	573	0%
Solstad Subsea Holding AS	4 027	4 027	0%
SOFO Falnes AS	0	3 163	0%
Solstad Shipping AS	22 217	12 128	0%
Total	26 429	22 642	

Long term debt	2021	2020	Interest rate
Solstad Subsea Holding AS	29 639	0	0%
Total	29 639	0	

No group debt or long-term receivables falls due later than five years after the end of the financial year.
No interest is calculated on inter-company balances.



Note 8 Shareholders

The share capital in Normand Ships AS as of 31.12 consists of:

	Total	Face value	Entered
Ordinary shares	30 000	1	30
Total	30 000		30

Ownership structure

Shareholders in % at year end:

	Ordinary	Owner interest	Share of votes
Solstad Subsea Holding AS	30 000	100,0	100,0

Note 9 Equity

	Share capital	Share premium	Uncovered loss	Total equity
As at 31.12.2020	30	0	15 102	15 132
Changes posted against equity			0	0
As at 01.01.2021	30	0	15 102	15 132
Capital increase - Merger		93 498	-122 674	-29 177
Result for the year			-19 348	-19 348
Group contributions received			11 972	11 972
As at 31.12.2021	30	93 498	-114 949	-21 421



Note 10 Debt and guarantees

	31.12.2021	31.12.2020
Debt secured by charges, mortgages and guarantees		
Debt to credit institutions	699 171	689 150
Total	699 171	689 150
Book value of charged assets		
Vessels	669 147	661 029
Customer receivables	29 908	17 785
Total	699 055	678 814

In the period 30 June 2021 to 29 June 2022, no installments will be paid if available bank balance minus the minimum bank balance (MNOK 35) and the period's interest payment is lower than the period's installments. PIK interest, corresponding to ordinary interest, is calculated on unpaid installments. In 2021, repayments of NOK 4 125 has been made.

Non-pay installments are due final maturity of the loans. The company's mortgage debt is divided into 30% in NOK and 70% USD.

Interest rates are floating and are based on NIBOR / LIBOR + 2.00 / 2.15 margin.

Loan payment profile	2022	2023	2024	2025	Thereafter
Long-term debt	49 962	71 657	59 282	59 282	458 988

Note 11 Subsequent events

The Company is not aware of any legal disputes of material importance for the assessment of the financial statements.

The company has not been significantly affected by Covid-19 or the ongoing war in Ukraine.



Note 12 Going concern

The annual accounts have been prepared on a going concern basis. The Company has negative equity of NOK -21 421 but average of 3 broker estimates of vessels values indicate market values that exceeds book values, hence the real equity is positive. Managements assessment of value in use for the vessels also exceeds book values, and hence support a positive real equity. Basis for value in use is signed contracts with third parties and board approved long term strategic plan.

The change in equity compared to 2020 can partly be explained by mergers and disagio, meaning the reduction in equity in 2021 is not a result of losses from operations only.

The liquidity situation is considered satisfactory, and the Company has long-term financing in place. The Company has liquidity to pay installments according to the amortization schedule, due first time 30.06.22.

The Company has three financial covenants (consolidated with Normand Ships Operations AS):

- 1) Positive consolidated working capital
- 2) Free liquidity of MNOK 10
- 3) MVC > 100%

As of 31.12.2021 the Company is in compliance with all covenants.



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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Normand Ships AS

Opinion

We have audited the financial statements of Normand Ships AS (the Company), which comprise balance sheet as at 31 December 2021, income statement and indirect cash flow 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 2021 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) 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 board of directors' report contains the information required by legal requirements and 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 or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation 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



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going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in 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, 14 juni 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Øyvind Nore
State Authorised Public Accountant (Norway)

Independent auditor's report - Normand Ships AS 2021

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Øyvind Nore

Statsautorisert revisor

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