



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 912 482 626  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: SONGA CHEMICAL AS  
Forretningsadresse: c/o Arne Blystad AS  
Haakon VIIIs gate 1  
0161 OSLO

### Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: John Murray  
Dato for fastsettelse av årsregnskapet: 26.06.2024

### Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 20.06.2025



### Resultatregnskap

Beløp i: USD	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Annen driftsinntekt		30 088 944	36 086 816
<b>Sum inntekter</b>		<b>30 088 944</b>	<b>36 086 816</b>
<b>Kostnader</b>			
Avskrivning på varige driftsmidler og immaterielle eiendeler	11	4 567 613	4 567 613
Nedskrivning av varige driftsmidler og immaterielle eiendeler	11	-7 772 453	
Annen driftskostnad		11 808 930	10 808 791
<b>Sum kostnader</b>		<b>8 604 090</b>	<b>15 376 404</b>
<b>Driftsresultat</b>		<b>21 484 854</b>	<b>20 710 412</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		426 741	120 838
<b>Sum finansinntekter</b>		<b>426 741</b>	<b>120 838</b>
Annen rentekostnad		1 230 335	820 132
Annen finanskostnad		138 347	148 327
<b>Sum finanskostnader</b>		<b>1 368 682</b>	<b>968 459</b>
<b>Netto finans</b>		<b>-941 941</b>	<b>-847 621</b>
<b>Ordinært resultat før skattekostnad</b>		<b>20 542 913</b>	<b>19 862 791</b>
<b>Ordinært resultat etter skattekostnad</b>		<b>20 542 913</b>	<b>19 862 791</b>
<b>Årsresultat</b>		<b>20 542 913</b>	<b>19 862 791</b>
Minoritetsinteresser		0	0
<b>Årsresultat etter minoritetsinteresser</b>		<b>20 542 913</b>	<b>19 862 791</b>
Andre resultatkomponenter for IFRS-foretak		0	0
<b>Totalresultat</b>		<b>20 542 913</b>	<b>19 862 791</b>
<b>Overføringer og disponeringer</b>			
Overføringer til/fra annen egenkapital		20 542 913	19 862 791



## Resultatregnskap

<b>Beløp i: USD</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
Sum overføringer og disponeringer		20 542 913	19 862 791



## Balanse

Beløp i: USD	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Varige driftsmidler</b>			
Skip, rigger, fly og lignende		60 802 974	57 262 569
<b>Sum varige driftsmidler</b>		<b>60 802 974</b>	<b>57 262 569</b>
<b>Sum anleggsmidler</b>		<b>60 802 974</b>	<b>57 262 569</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer		312 074	381 717
<b>Sum varer</b>		<b>312 074</b>	<b>381 717</b>
<b>Fordringer</b>			
Andre fordringer		3 018 690	7 061 624
<b>Sum fordringer</b>		<b>3 018 690</b>	<b>7 061 624</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende		10 860 453	5 277 135
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>10 860 453</b>	<b>5 277 135</b>
<b>Sum omløpsmidler</b>		<b>14 191 217</b>	<b>12 720 476</b>
<b>SUM EIENDELER</b>		<b>74 994 191</b>	<b>69 983 045</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	10	9 692	5 133 663
Overkurs		3 730 565	3 730 565
Annen innskutt egenkapital		2 173 420	11 972 803
<b>Sum innskutt egenkapital</b>		<b>5 913 677</b>	<b>20 837 031</b>



## Balanse

<b>Beløp i: USD</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital		25 354 056	23 887 787
<b>Sum opptjent egenkapital</b>		<b>25 354 056</b>	<b>23 887 787</b>
<b>Sum egenkapital</b>		<b>31 267 733</b>	<b>44 724 818</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	12	33 560 187	18 703 750
<b>Sum annen langsiktig gjeld</b>		<b>33 560 187</b>	<b>18 703 750</b>
<b>Sum langsiktig gjeld</b>		<b>33 560 187</b>	<b>18 703 750</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		519 728	303 728
Betalbar skatt		14 209	14 663
Annen kortsiktig gjeld		9 632 335	6 236 085
<b>Sum kortsiktig gjeld</b>		<b>10 166 272</b>	<b>6 554 476</b>
<b>Sum gjeld</b>		<b>43 726 459</b>	<b>25 258 226</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>74 994 192</b>	<b>69 983 044</b>



Songa Chemical AS

Annual report  
2023

Penneo Dokumentnrkkel: OOE3G-WH6CT-Z2BF0-P273E-T218I-08XTZ



## SONGA CHEMICAL AS BOARD OF DIRECTORS' REPORT 2023

Songa Chemical AS owns and operates tanker vessels in the seaborne trade of liquid chemicals worldwide. The Company's headquarter is in Oslo, Norway.

The company was founded on 12 September 2013.

The Company's strategy is to create shareholder value by providing high quality service to its customers and focus on efficient operations and high utilisation of the fleet.

### Financial results

The Company recorded revenues of USD 30.1 million in 2023 (USD 36.1 million in 2022). Earnings before interests, taxes, depreciation, and amortization was USD 18.3 million (USD 25.3 million in 2022). Earnings before interests and taxes was USD 21.5 million (USD 20.7 million in 2022). No impairment losses were recognized in 2023, however USD 7.8 million in previous impairment losses were reversed during the year. Net financial expenses were USD 0.9 million in 2023 (USD 0.8 million in 2022). Net profit after tax amounts to USD 20.5 million for the financial year 2023 (USD 19.9 million in 2022). Earnings per share was USD 3.40 in 2023 (USD 3.29 in 2022).

The board suggests that the net profit of USD 20 542 913 is transferred to retained earnings.

Net cash flow from operating activities was USD 24.5 million in 2023 (USD 23.1 million in 2022). Net cash flow used in investing activities amounted to USD 0 (USD 0 in 2022). Net cash flow from financing activities amounted to USD -19.0 million (USD -22.8 million in 2022). Net change in cash and cash equivalents was USD 5.6 million (USD 0.3 million in 2022) which gives an ending cash balance at 31 December 2023 of USD 10.7 million.

### The chemical tanker market

Chemical tankers carry organic and inorganic chemicals, vegetable oils and animal fats and a range of other specialist products. In broad terms, demand for commodities traded by sea is principally affected by world and regional economic conditions as well as other factors, such as changes in the location of production facilities and changes in the regional prices of raw materials and products.

The demand for seaborne transportation hinges on the physical volume of the cargo, typically quantified in metric tons within the chemical sector, and the distance over which it is transported. Demand cycles correlate closely with global economic trends. In 2023, the chemical shipping market navigated through a complex landscape marked by supply constraints and elevated energy prices, largely influenced by the ongoing war in Ukraine. The year also saw new geopolitical tensions in the Red Sea, introducing further complications to chemical tanker shipping, impacting both regional and international trade routes. Concluding the year, 2023 emerged as a remarkable period for the chemical tanker sector, with earnings that defied the general downturn seen across the broader chemical industry.

On the supply side, the size of the chemical tanker fleet, as measured by its cargo-carrying capacity, remains a critical factor. This is influenced by the fleet's numerical strength and the size of its ships, the frequency of new vessel deliveries from the orderbook, rates of vessel scrapping, and various operational efficiency factors such as port congestion and vessel speed. These elements collectively



determine the number of ships available for charter and thus the capability of the sector to meet shifting market demands.

## **Fleet**

The fleet of owned and controlled vessels total four 19.900 dwt 2009-built chemical carriers at year end 2023, Songa Breeze, Songa Challenge, Songa Peace and Songa Winds.

## **Management agreements**

### **Commercial management agreements**

Songa Challenge and Songa Peace are employed in the Hansa Tankers chemical pool trading in the spot market. In March 2023, Songa Breeze and Songa Winds were delivered on a 3-year time-charter contract to Bahri Chemicals.

### **Services Agreement**

The Company has entered into a Services Agreement with Arne Blystad AS, an affiliate of Songa Tankers AS, to carry out the administrative and commercial supervisory activities related to the day-to-day management of the Company. The Services Agreement has been entered into on an arms-length basis.

### **Technical management**

Songa Shipmanagement Ltd, an affiliate of Songa Tankers AS, is responsible for the technical management for all four vessels. Songa Shipmanagement Ltd has long experience in technical supervision and operation of such vessels owned by the Company. The Technical Management agreement has been entered into on an arms-length basis.

### **Financing and liquidity**

Songa Chemical AS had cash and cash equivalents of USD 10.9 million at the end of 2023, increased from USD 5.3 million in 2022. Total assets were USD 75.0 million at year end 2023, USD 70.0 million in 2022. Shareholders' equity amounted to USD 31.3 million, decreased from USD 44.7 million in 2022. Total liabilities were USD 43.7 million. Interest bearing debt amounted to USD 40 million, up from USD 23.6 million in 2022. The equity ratio was 41.7 % in 2023, down from 63.9 % at the end of 2022.

The Board of Director's confirm that the going concern assumption has been assessed and confirm that the assumption is valid.

### **Health, safety and environment (HSE)**

The Company's objective is to ensure safe and secure operations. The business operates in compliance with national and international requirements and regulations. There have been no work-related accidents resulting in sick leave to personnel on board during 2023. Neither has there been any pollution incidents related to the Company's vessels in 2023.

Personnel on board are hired through a provider of crew management services to Songa Shipmanagement Ltd. Songa Chemical AS has no employees.

The company aims to be a workplace free from discrimination on the basis of gender, race, or religion.

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The Norwegian Transparency Act report will be included in the Blystad AS Group ESG report which will be published on [www.blystad.no](http://www.blystad.no) by 30 June 2024.

## **Risk factors**

The Company is exposed to market risks, risks related to operation of the vessels, financial risks, and strategic risks.

Market risks include risks associated with the demand and supply for the Company's services as well as political risks. An important factor to evaluate the market risk is the future expected shipping rates. If these rates show a significant decline, this can lead to reduced cash flow for the vessels' services, affecting the future profitability and financial stability of the Company.

The Company's operational risks include perils particular to marine operations, including cargo contamination, capsizing, grounding, collision and loss and damage to the vessels from harsh weather conditions. Such circumstances may result in severe damages to the vessels and/or damage to other property, the environment, or persons. In the course of its activities, the Company may become part in legal proceedings and disputes. All of these factors could have a significant impact on the Company's financial position.

The Company is exposed to financial risks such as interest rate changes and currency exchange rate fluctuations, as well as credit risk related to customers and other financial counterparties being unable to honour their obligations, or liquidity risk if the Company is unable to honour its obligations. The Company has per year-end 2023 floating interest rates on its interest-bearing debt, and as such is exposed to interest changes. As the functional currency in the subsidiaries is USD; the Company has some exposure to fluctuations in currency rates, however these are limited mainly to administrative expenses. The credit risk related to customers is reduced through the contract structure and the fact that the cargo is controlled by the Company until discharging.

## **Insurance for board members**

There is no insurance policy in place for members of the Board of Directors for their potential liabilities towards the company and third parties.

## **Outlook**

The Company believes in a steady yet cautious improvement in the business environment for its trading assets into 2024, influenced by ongoing adjustments in global supply chains, moderate fleet expansion, and evolving energy market dynamics.

Oslo, 26 June 2024

The Board of Directors

Egil Wickstrand Iversen  
Chairman

Fredrik Platou  
Board member

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**Statement of comprehensive income**

**Songa Chemical AS**

<b>USD</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
Operating revenue		30 088 944	36 086 816
<b>Total operating income</b>		<b>30 088 944</b>	<b>36 086 816</b>
Operating expenses vessels	4	11 296 906	10 169 085
General and administrative expenses	4	512 024	639 706
<b>Total operating expense</b>		<b>11 808 930</b>	<b>10 808 791</b>
<b>Earnings before interests, taxes depreciation and amortization (EBITDA)</b>		<b>18 280 014</b>	<b>25 278 025</b>
Depreciation	11	4 567 613	4 567 613
Reversal of impairment losses	11	-7 772 453	0
<b>Earnings before interests and taxes (EBIT)</b>		<b>21 484 854</b>	<b>20 710 412</b>
Financial income		426 741	120 838
Interest expenses		-1 230 335	-820 132
Other financial expenses		-129 937	-117 923
Net foreign exchange gain / (loss)	5	-8 410	-30 404
<b>Net financial expenses</b>		<b>-941 941</b>	<b>-847 621</b>
<b>Profit before taxes</b>		<b>20 542 913</b>	<b>19 862 791</b>
Tax expense	15	0	0
<b>Net profit</b>		<b>20 542 913</b>	<b>19 862 791</b>
<b>Total comprehensive income</b>		<b>20 542 913</b>	<b>19 862 791</b>

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## Statement of financial position

### Songa Chemical AS

USD	Note	31 December 2023	31 December 2022
Vessels	11	60 802 974	57 262 569
<b>Total non-current assets</b>		<b>60 802 974</b>	<b>57 262 569</b>
Inventories	8	312 074	381 717
Receivables	7	3 018 690	7 061 624
Cash and cash equivalents	6	10 860 453	5 277 135
<b>Total current assets</b>		<b>14 191 217</b>	<b>12 720 476</b>
<b>TOTAL ASSETS</b>		<b>74 994 191</b>	<b>69 983 045</b>
<b>Equity</b>			
Share capital	10	9 692	5 133 663
Share premium		3 730 565	3 730 565
Other paid-in capital		2 173 420	11 972 803
Retained earnings		25 354 056	23 887 787
<b>Total equity</b>		<b>31 267 733</b>	<b>44 724 819</b>
Debt to financial institutions	12	33 560 187	18 703 750
<b>Total non-current liabilities</b>		<b>33 560 187</b>	<b>18 703 750</b>
Trade payables		519 728	303 728
Tax payable	15	14 209	14 663
Other current liabilities	9	9 632 335	6 236 085
<b>Total current liabilities</b>		<b>10 166 272</b>	<b>6 554 475</b>
<b>Total liabilities</b>		<b>43 726 459</b>	<b>25 258 225</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>74 994 192</b>	<b>69 983 045</b>

Oslo, 26 June 2024  
The Board of Directors

Egil Wickstrand Iversen  
Chairman

Fredrik Platou  
Board member

Penneo Dokumentnr: OOE3G-WH6CT-Z2BF0-P273E-T218I-08XTZ



## Statement of changes in Equity

Songa Chemical AS					
	Share capital	Share Premium	Other paid-in capital	Retained Earnings	Total
<b>Equity per 31 December 2021</b>	<b>13 641 997</b>	<b>5 730 565</b>	<b>27 972 803</b>	<b>-4 483 337</b>	<b>42 862 029</b>
<i>Changes in Equity 2022</i>					
Reclassification equity*	-8 508 334			8 508 334	-
Net profit for the year				19 862 791	19 862 791
Dividends		-2 000 000	-16 000 000		-18 000 000
<b>Equity per 31 December 2022</b>	<b>5 133 663</b>	<b>3 730 565</b>	<b>11 972 803</b>	<b>23 887 788</b>	<b>44 724 819</b>
<i>Changes in Equity 2023</i>					
Reduction of share capital	-5 123 971		5 123 971		-
Net profit for the year				20 542 913	20 542 913
Dividends			-14 923 354	-19 076 646	-34 000 000
<b>Equity per 31 December 2023</b>	<b>9 692</b>	<b>3 730 565</b>	<b>2 173 420</b>	<b>25 354 054</b>	<b>31 267 732</b>

\*This reclassification is due to an error back in 2018 when the wrong currency exchange rate was used when posting a share capital reduction



## Cashflow Statement

USD	Songa Chemical AS	
	2023	2022
Net profit before tax	20 542 913	19 862 791
- Paid taxes	-14 663	-16 389
-/+ Gevinst/tap ved salg av anleggsmidler		
+ Depreciation	4 567 613	4 567 613
+ Impairment losses	0	0
- Reversal of impairment losses	-7 772 453	0
+/- Net change receivables	4 042 935	-2 644 669
+/- Net change accounts payable	216 000	37 284
+/- Net change in other short term assets and liabilities	2 957 455	1 264 822
<b>= Net cashflow from operating activities</b>	<b>24 539 800</b>	<b>23 071 451</b>
- Purchase of fixed assets	0	0
<b>= Net cashflow used in investing activities</b>	<b>0</b>	<b>0</b>
- Repayment debt to credit institutions	-18 800 000	-4 800 000
- Paid dividends	-34 000 000	-18 000 000
<b>Net cashflow from financing activities</b>	<b>-18 956 480</b>	<b>-22 800 000</b>
<b>= Net change in cash and cash equivalents</b>	<b>5 583 320</b>	<b>271 451</b>
+ Cash and cash equivalents at beginning of period	5 277 135	5 005 684
<b>= Cash and cash equivalents at end of period</b>	<b>10 860 454</b>	<b>5 277 135</b>

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Songa Chemical AS

Notes to the 2023 financial statements

## 1 Corporate information

Songa Chemical AS is a limited liability company incorporated in Norway. The company was incorporated at 12 September 2013. The address of main office is Haakon VII's gate 1, 0161 Oslo. The Norwegian enterprise no is 912 482 626.

The principal business of Songa Chemical AS is to be the owner of Vessels, and other related activities.

## 2 Accounting Principles

### Basis for preparation

The financial statements for Songa Chemical AS for the financial year 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The financial statements have been prepared on a historical cost basis.

### Going concern

The financial statements have been prepared on the going concern assumption.

### Significant accounting judgments, estimates and assumptions

#### *Estimates*

The preparation of financial statements in accordance with IFRS require management to make judgments, estimates and assumptions that may affect assets, liabilities, revenues, expenses, and information in notes to the financial statements. Estimates are management's best assessment based on information available at the date the financial statements are authorized for issue. Actual results may differ from these estimates. Such changes will be recognized when new estimates can be determined with certainty.

#### *Depreciation and impairment of vessels*

Depreciation is based on management's estimates of the future life of the vessels and residual values. Estimates may change due to changes in scrap value, technological development, competition, and environmental and legal requirements. The management reviews the future useful life of the vessels and each component periodically taking into consideration the above-mentioned factors. In case of changes in estimated useful lives and/or residual values, the depreciation of the vessels is adjusted prospectively.

Management assesses whether there are any indicators of impairment for all vessels at each reporting date. The assets are assessed for impairment when there are indications that the carrying amounts may not be recoverable. Management applies significant judgement to identify impairment indicators if any.

#### *Revenue recognition*

The company recognizes revenue when it is probable that any further economic benefit associated with the item of revenue will flow to the entity, and the amount of revenue can be measured with reliability.

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Songa Chemical AS

Notes to the 2023 financial statements

## Summary of significant accounting policies

### *Other income*

Revenues are recognized based on distributed income from the pool which the vessels are operating within. Distributed income is net of freight revenues and expenses directly related to freight of goods, such as bunkers, port costs, commissions etc.

Voyage revenues and voyage related expenses from vessels which are operated by the company, is recognized proportionally over the estimated length of each voyage, on a loading to discharge basis. Voyage revenues and expenses are estimated on a basis of the best estimate principle.

### *Foreign currency*

The financial statements are presented in USD, which also is the company's functional currency. All transactions are measured in USD.

Transactions in foreign currencies are recorded at the exchange rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the financial position date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

### *Vessels and docking*

Vessels are stated at historical cost, less accumulated depreciation, and impairment losses, if any. The cost of the vessels comprises its purchase price and any costs directly attributable to bringing the asset to be capable of operating in the manner intended by management.

Depreciation is calculated on a straight-line basis, taking residual values into consideration.

The residual values and useful lives of the assets are reviewed and adjusted prospectively, if appropriate, at each financial position date. Residual values are estimated based on the vessels LDT (Light Deadweight Ton) and steel prices.

Docking costs are capitalized and accrued over the period until the next docking takes place.

### *Impairment of vessels*

The vessels are reviewed for indication of impairment at each reporting date, and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. The recoverable amount is the higher of an asset's net selling price and its value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of disposal, while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets if possible, or else for the cash-generating unit. Each vessel is considered to be one cash generating unit.

Reversal of impairment losses recognized in prior years is recognized in profit or loss if there is an indication that previous impairment losses recognized no longer exist or have decreased.

### *Borrowing costs*

Borrowing costs are capitalized if they are directly attributable to the acquisition, construction, or production of a qualifying asset. Other borrowing costs are recognized as an expense when incurred.

### *Financial position classification*

Current assets and short-term liabilities include items due less than one year from the balance sheet date, and items related to the operating cycle. The current portion of long-term debt is included as current liabilities.



Songa Chemical AS

Notes to the 2023 financial statements

### *Receivables*

Receivables are recorded at their nominal value less provisions for bad or doubtful debt. The Group regularly reviews its accounts and estimates the amount of uncollectible receivables and establishes an allowance for uncollectible amounts.

### *Payables*

Current trade payables and other payables are recognized initially at fair value and subsequently measured at cost.

### *Cash, cash equivalents and cash flow statement*

Cash represents deposits with bank that is callable on demand.

The cash flow statement is prepared using the indirect method.

### *Financial liabilities*

Interest-bearing debt is initially recognized at fair value when the Group becomes a party to the contractual provisions of the instrument. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the straight-line method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on the settlement. Financial liabilities are presented as current if the liability is due to be settled within 12 months after the financial position date, whereas liabilities with the legal right to be settled more than 12 months after the financial position date are classified as non-current.

Financial liabilities are derecognized from the financial position when the contractual obligation expires, is discharged, or cancelled.

### *Taxation*

Songa Chemical AS is subject to taxation under the Norwegian tonnage tax regime. Under the tonnage tax regime, profit from operations is exempt from taxes. Taxable profit is calculated on the basis of financial income after deduction of a portion of financial expenses. The portion is calculated as financial assets in percent of total assets. Tonnage tax is payable based on the net tonnage of vessels. Tonnage tax is classified as an operating expense.

### *Related parties*

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also related if they are subject to common control or common significant influence.

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Songa Chemical AS

Notes to the 2023 financial statements

## **Events after financial position date**

New information regarding the Group's situation on the financial position date is taken into account in the financial statements. Events occurring after the financial position date, that do not affect the Group on the financial position date but will affect the Group's situation in the future, are disclosed if significant.

## **New or amendments to standards implemented by the Company**

No new or amendments to standards have been applied by the Company in the reporting period commencing 1 January 2023.

## **New and revised standards – not yet effective**

New or amendments to standards issued and become effective in years beginning on or after 1 January 2024, assuming European Union adoption:

There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Penneo Dokumentnøkkel: COE3G-WH6CT-Z2BF0-P273E-T218I-O8XTZ



Songa Chemical AS

Notes to the 2023 financial statements

### 3 Segment information

The Company operates within one single segment, which is the shipping chemical tanker segment.

### 4 Expenses

The company had no employees in 2023, thus no occupational pension scheme pursuant to the occupational pension law. Management services are provided by Arne Blystad AS under a management agreement. No directors' fees were paid in 2023.

#### Specification of expenses:

USD	2023	2022
<b>Operating expenses vessels</b>		
Crew cost	6 226 965	5 713 402
Stores/Lubes	935 730	883 470
Repairs/Maintenance	1 155 418	1 013 320
Insurance	499 896	488 440
Fees to technical management	840 000	840 000
Miscellaneous	1 638 897	1 230 453
<b>Total operating expenses vessels</b>	<b>11 296 906</b>	<b>10 169 085</b>
<b>Administrative expenses</b>		
Management fee	466 918	573 901
Legal fees	1 735	0
Other administrative expenses	43 371	65 805
<b>Total administrative expenses</b>	<b>512 024</b>	<b>639 706</b>
<b>Auditors' fees (excluding VAT)</b>		
Audit fee*	5 798	8 016
Other services	0	0
<b>Total auditors' fees</b>	<b>5 798</b>	<b>8 016</b>

\*Audit fee is included in Other administrative expenses.

### 5 Net foreign exchange gain/(loss)

USD	2023	2022
Foreign exchange gain	20 853	20 094
Foreign exchange loss	-29 263	-50 498
<b>Net foreign gain/(loss)</b>	<b>-8 410</b>	<b>-30 404</b>



Songa Chemical AS

Notes to the 2023 financial statements

## 6 Cash and cash equivalents

The group's cash and cash equivalents are denominated in the following currencies as of 31 December:

USD	2023	2022
US Dollars	10 694 293	5 225 641
Norwegian kroner	166 160	51 494
<b>Total cash and cash equivalents</b>	<b>10 860 453</b>	<b>5 277 135</b>

### Pledged assets

Total cash are pledged as security for the company's external loan facility. See note 12 for further details.

## 7 Other current receivables

USD	2023	2022
Working capital Hansa Tankers Pool	600 000	1 200 000
Prepaid expenses	291 910	171 001
Trade receivables Hansa Tankers Pool	734 138	5 474 857
Other short-term receivables	1 392 642	215 767
<b>Total short-term receivables</b>	<b>3 018 690</b>	<b>7 061 624</b>

## 8 Inventories

Inventories consist of the vessels inventory of lube oil.

## 9 Other current liabilities

USD	2023	2022
Accrued interests	492 249	32 274
Accrued expenses	1 075 744	295 154
Current portion of long-term debt	6 156 480	4 800 000
Other current liabilities	1 907 862	1 108 656
<b>Total other current liabilities</b>	<b>9 632 335</b>	<b>6 236 085</b>

Penneo Dokumentnøkkel: COE3G-WH6CT-Z2BF0-P273E-T218I-O8XTZ



Songa Chemical AS

Notes to the 2023 financial statements

## 10 Share capital and shareholder information

The share capital in Songa Chemical AS consists of 6 038 421 shares with par value per share NOK 0.01. Each share represents equal voting rights. The company's shareholders are:

Shareholder	Number of shares	Owner share
WLR/TRF shipping II S.a.r.l.	3 956 849	65,53%
Songa Tankers AS	2 081 572	34,47%
<b>Total</b>	<b>6 038 421</b>	<b>100%</b>

## 11 Fixed Assets

USD	Vessels	Periodic Maintenance	Total
Cost at 01 January 2023	117 423 335	4 745 294	122 168 629
Disposals in 2023	-	-	-
<b>Cost at 31 December 2023</b>	<b>117 423 335</b>	<b>4 745 294</b>	<b>122 168 629</b>
Accumulated depreciation and impairment losses at 01 January 2023	61 257 693	3 648 368	64 906 061
Depreciation in 2023	3 917 178	650 435	4 567 613
Impairment reversal 2023	-7 772 453	-	-7 772 453
Accumulated depreciation and impairment losses at 31 December 2023	57 402 418	4 298 803	61 701 221
<b>Carrying amount at 31 December 2023</b>	<b>60 020 917</b>	<b>446 491</b>	<b>60 467 409</b>

Assets are depreciated on a straight-line basis over their expected remaining useful lives as follows:

Vessels: 20 years  
Periodic Maintenance: 5 years

Residual value is USD 10 734 300

### Pledged assets

Vessels are pledged as security for the company's external loan facility. See note 12 for further details.

### Impairment

The Company has partly reversed previous impairment losses on the fleet as their recoverable amounts, based on broker estimates, now exceed their carrying amounts. The reversal has been limited to the amount that would restore the vessels' carrying values to the figures calculated under their original depreciation schedules, absent prior impairments.



Songa Chemical AS

Notes to the 2023 financial statements

## 12 Interest-bearing debt

### Debt to financial institutions

USD	Book value at 31 December 2023	Fair value at 31 December 2023
Nominal value*	33 843 520	33 843 520
Capitalized fees	-283 333	-283 333
<b>Carrying amount</b>	<b>33 560 187</b>	<b>33 560 187</b>

\*Current portion of 6 156 480 that will fall due in 2024 is classified as other current liabilities.

The original loan facility of USD 42 million with NIBC Bank N.V., consists of an ordinary facility of USD 36 million and an additional USD 6 million revolving credit facility which is available to drawdown in relation to dry docking of each vessel (four equal tranches of USD 1 500 000).

The outstanding amount of the ordinary facility of USD 42 million with NIBC Bank N.V was fully refinanced during Q4 2024. A new 3-year loan facility was established with DNB, amounting to USD 40 million, and shall be repaid in equal consecutive quarterly installments of USD 1 539 120 starting from 2 February 2024. The remaining principal amount shall be repaid at the maturity date. The maturity date is in November 2026.

Interests are calculated at SOFR + 3.25% per annum.

The following financial covenants exists under the loan agreement:

- Positive working capital at any time
- Cash and cash equivalents of no less than USD 500 000 per vessel.

In addition, there exists a Vessel covenant stating that the vessels fair value is to be at least 150 % of the principal amount outstanding at any time during the loan term.

The company has complied with the financial covenants during the reporting period.

Debt to financial institutions is secured by mortgage of a fixed amount of USD 60 000 000.

## 13 Financial risk factors

### Financial market risk

Songa Chemical AS owns and operates chemical tankers for transportation of cargo worldwide. Through its operations the Company is exposed to financial risks such as market risk, credit risk, liquidity risk and other risks that may influence the value of assets, liabilities, and cash flows.

To reduce and manage these risks, management periodically assesses the Group's financial market risk in general, as well as evaluating hedging strategies for specific exposures as they arise. The primary strategy used for reducing the financial market risks is the use of derivatives, where appropriate.

For 2023, the Company did not have any hedging contracts or other derivative instruments.

### Credit risk exposure

The Group is exposed to credit risk in the case that receivables from customers and other parties are not paid. The customers are in general large companies with excellent credit rating. For new customers, a credit evaluation is performed.

At 31 December 2023, no receivables were past due.



Songa Chemical AS

Notes to the 2023 financial statements

## Liquidity risk exposure

Liquidity risk may arise if a company is not able to pay its financial obligations at due date. The Group applies cash flow forecasting to ensure that the activities are adequately financed at all times. Cash flows from operations and from planned financing activities are considered sufficient to settle all financial obligations.

## 14 Financial instruments

Set out below is a comparison by category for carrying amounts and fair values of all of the Group's financial instruments that are carried in the financial statements. The estimated fair value amounts of the financial instruments have been determined using appropriate market information and valuation techniques.

USD	31 December 2023	
	Carrying amount	Fair value
<i>Financial assets:</i>		
Other current receivables	3 0189 690	3 019 602
Cash and cash equivalents	10 860 453	10 860 453
<i>Financial liabilities:</i>		
Debt to financial institutions	33 560 187	33 560 187
Trade payables	519 728	519 728
Taxes payable	14 209	14 209
Other current liabilities	9 632 335	9 633 247

Maturity of financial liabilities:

USD	< 1 year	2-5 years	6-10 years	Total at 31 December 2023
Debt to financial institutions	-	33 843 850	-	33 843 520
Trade payables	519 728	-	-	519 728
Taxes payable	14 209	-	-	14 209
Other current liabilities	9 632 335	-	-	9 632 335
<b>Total financial liabilities</b>	<b>10 166 272</b>	<b>33 843 520</b>	<b>-</b>	<b>44 009 792</b>

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Songa Chemical AS

Notes to the 2023 financial statements

## 15 Income tax

<i>Taxable income:</i>	<b>2023</b>	<b>2022</b>
Profit before tax	20 542 913	19 862 790
Effects of Norwegian tonnage tax legislation	-21 123 877	-20 289 694
<b>Taxable income</b>	<b>-580 964</b>	<b>-426 904</b>
<i>Tax expense:</i>		
Tax payable	-	-
<b>Tax expense</b>	<b>-</b>	<b>-</b>
<i>Reconciliation of tax expense for the year:</i>		
Profit before tax	20 542 913	19 862 790
Tax expense calculated on the relevant tax rate 22% (22%)	4 519 441	4 369 814
Tax expense	-	-
Difference	-4 519 441	-4 369 814
<i>Difference comprises of:</i>		
Tax effect of Norwegian tonnage tax legislation	-4 647 253	-4 463 733
Tax effect of temporary differences not recognized	127 812	93 919
Total difference	-4 519 441	-4 369 814
<i>Tax payable in statement of financial position:</i>		
Tax payable in tax expense	-	-
Tonnage tax payable	14 209	14 663
Tax payable in statement of financial position	14 209	14 663

## 16 Related parties

In the normal course of its business, the company enters into transactions with related parties. All transactions with related parties are conducted at an arm's length basis.

Technical management for the vessels is provided by Songa Shipmanagement Ltd, a company owned 100% by Songa Tankers AS. Management fees according to such services amounts to USD 840 000 for 2023.

Administrative and management services are supplied by Arne Blystad AS, a sister company of Songa Tankers AS. Management fees according to such services amounts to USD 466 918 for 2023.



# PENNEO

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

## Platou, Fredrik

Rolle 2

Serienummer: no\_bankid:9578-5994-4-1054888

IP: 188.95.xxx.xxx

2024-06-26 12:08:14 UTC



## Iversen, Egil Wickstrand

Rolle 1

Serienummer: no\_bankid:9578-5999-4-1227395

IP: 77.18.xxx.xxx

2024-06-26 16:01:00 UTC



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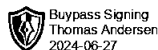
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To the Shareholders of  
Songa Chemical AS



BHL DA  
Elias Smiths vei 24  
1337 Sandvika

Org. nr.: 992 768 061

Telefon: 66 85 59 00  
E-post: [ta@bhl.no](mailto:ta@bhl.no)  
Internett: [www.bhl.no](http://www.bhl.no)

Medlemmer av  
Den norske Revisorforening

Ansvarlig revisor:  
Thomas Andersen

## Independent Auditor's Report

### Opinion

We have audited the financial statements of Songa Chemical AS (the Company), showing a profit of USD 20 542 913. The financial statements comprise the balance sheet at 31 December 2023, and the statement of comprehensive income, statement of changes in equity 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 financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of, the financial position of the Company as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

### Basis for Opinion

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

### Other Information

The Board of Directors are responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is materially inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of

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Directors' report otherwise appears to be materially misstated. We are required to report that fact if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements

Our opinion on the Board of Director's report applies correspondingly for statements on Corporate Governance and Corporate Social Responsibility and for the report on payments to governments.

#### **Responsibilities of the management for the Financial Statements**

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting 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 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.

For further description of the auditor's responsibilities we refer to <https://www.revisorforeningen.no/revisjonsberetninger>

Sandvika, 26.6.2024

**BHL DA**

*The auditor's report is signed electronically.*

Thomas Andersen  
Statsautorisert revisor



09 DES. 2013

Skattedirektoratet

Saksbehandler  
Geir Johannessen

Deres dato  
29.11.2013

Vår dato  
05.12.2013

Telefon  
22 66 11 14

Deres referanse  
Gerd-Inger Kaasen

Vår referanse  
2013/913481

SONGA CHEMICAL AS  
Postboks 1468 Vika  
0116 OSLO

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Songa Chemical AS, org.nr. 912 482 626

- Det vises til deres brev av 29. november, der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk fra og med regnskapsåret 2013 for Songa Chemical AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Songa Chemical 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 påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Songa Chemical AS har til formål å drive skipsrelatert virksomhet, herunder eie og drive skip, enten direkte eller indirekte gjennom deltakelse i andre selskaper. Selskapets arbeidsspråk er engelsk. 34,47% av selskapets aksjer er eiet av Spencer Finance Corp som er kontrollert av Arne Blystad og nærmeste familie, og 65,53% er eiet av WLR/TRF Shipping II S.a.r.l., 37A, Avenue JF Kennedy, L-1855 Luxembourg. Øvrige interessenter og samarbeidspartnere er institusjonelle aktører som ikke forventes å ha problemer med at årsrapporten er på engelsk. De norske versjonene av årsregnskapet/årsberetninger utarbeides kun for å tilfredsstille regnskapsloven.

### Skattedirektoratets vurdering

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

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

*"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*

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Se [www.skatteetaten.no](http://www.skatteetaten.no)  
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Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*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.”*

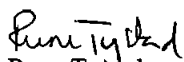
Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

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 arbeidsspråket er engelsk, og at det kun er to eiere med et utenlandsk selskap som hovedaksjonær. 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

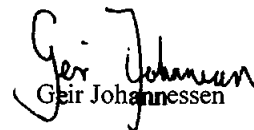


Rune Tystad

seniorrådgiver

Rettsavdelingen, foretaksskatt

Skattedirektoratet

  
Geir Johannessen