Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten	
Organisasjonsnummer:	987 974 532
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	GC RIEBER SHIPPING ASA
Forretningsadresse:	Solheimsgaten 15
	5058 BERGEN
Regnskapsår	
Årsregnskapets periode:	01.01.2021 - 31.12.2021
Konsern	
Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja
Regnskapsregler	
Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS
Årsregnskapet fastsatt av kompetent organ	
Bekreftet av representant for selskapet:	Mette Henriksen
Dato for fastsettelse av årsregnskapet:	21.04.2022

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, 01.08.2023

Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Kostnader			
Administrasjonskostnader		8 437 693	8 638 640
Sum kostnader		**8 437 693**	**8 638 640**
Driftsresultat		**-8 437 693**	**-8 638 640**
Finansinntekter og finanskostnader			
Inntekt på investering i annet foretak i samme konsern		113 044 675	
Annen renteinntekt		2 302 957	3 785 613
Annen finansinntekt		1 866 946	2 249 673
Sum finansinntekter		**117 214 578**	**6 035 286**
Nedskrivning av finansielle eiendeler		29 575 567	112 241 201
Annen rentekostnad		40 847	13 344
Annen finanskostnad		29 951	29 665
Realisert agio (disagio)		-2 505 499	-4 222 412
Urealisert agio (disagio)		-9 018 722	10 919 659
Sum finanskostnader		**18 122 144**	**118 981 457**
Netto finans		**99 092 434**	**-112 946 171**
Ordinært resultat før skattekostnad		**90 654 741**	**-121 584 811**
Skattekostnad på ordinært resultat	2		
Ordinært resultat etter skattekostnad		**90 654 741**	**-121 584 811**
Årsresultat		**90 654 741**	**-121 584 811**
Årsresultat etter minoritetsinteresser		**90 654 739**	**-121 584 810**
Overføringer og disponeringer			
Ordinært utbytte		43 043 655	
Avsatt til annen egenkapital		47 611 084	
Overført fra annen egenkapital			-121 584 810
Sum overføringer og disponeringer		**90 654 739**	**-121 584 810**

Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	2		
Finansielle anleggsmidler			
Investering i datterselskap		93 679 239	98 819 969
Investeringer i aksjer og andeler		316 737 162	633 329 321
Sum finansielle anleggsmidler		**410 416 401**	**732 149 290**
Sum anleggsmidler		**410 416 401**	**732 149 290**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		216 698	407 679
Andre kortsiktige fordringer		140 276	177 869
Konsernfordringer		47 588 081	49 671 139
Sum fordringer		**47 945 055**	**50 256 687**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter o.l.		421 240 992	219 429 632
Sum bankinnskudd, kontanter og lignende		**421 240 992**	**219 429 632**
Sum omløpsmidler		**469 186 047**	**269 686 319**
SUM EIENDELER		**879 602 448**	**1 001 835 609**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital		154 957 158	154 957 158
Beholdning av egne aksjer			-98 100

Balanse

Beløp i: NOK	Note	2021	2020
Overkurs		286 510 344	286 510 344
Sum innskutt egenkapital		**441 467 502**	**441 369 402**
Opptjent egenkapital			
Annen egenkapital		141 307 005	199 285 662
Sum opptjent egenkapital		**141 307 005**	**199 285 662**
Sum egenkapital		**582 774 507**	**640 655 064**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	2		
Annen langsiktig gjeld			
Sum langsiktig gjeld		**0**	**0**
Kortsiktig gjeld			
Leverandørgjeld			112 500
Betalbar skatt	2		
Utbytte		43 043 655	
Kortsiktig konserngjeld		252 643 286	359 927 045
Annen kortsiktig gjeld		1 141 000	1 141 000
Sum kortsiktig gjeld		**296 827 941**	**361 180 545**
Sum gjeld		**296 827 941**	**361 180 545**
SUM EGENKAPITAL OG GJELD		**879 602 448**	**1 001 835 609**

Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt			201 699 000
Annen driftsinntekt		2 452 000	31 981 000
Sum inntekter	5,6	**2 452 000**	**233 680 000**
Kostnader			
Varekost			55 974 000
Lønnskostnad	7	16 709 000	74 431 000
Avskrivning på varige driftsmidler	10,16	1 744 000	104 852 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	10		459 084 000
Annen driftskostnad	7,16,17	7 209 000	47 977 000
Sum kostnader		**25 662 000**	**742 318 000**
Driftsresultat		**-23 210 000**	**-508 638 000**
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap	4	-35 518 000	14 522 000
Gevinst ved aksjeutvidelse i tilknyttet selskap	4	186 712 000	31 068 000
Annen renteinntekt	18	2 332 000	978 000
Annen finansinntekt	18	11 276 000	8 015 000
Sum finansinntekter		**164 802 000**	**54 583 000**
Annen rentekostnad	16,18	658 000	37 423 000
Annen finansinntekt	18	1 900 000	3 700 000
Sum finanskostnader		**2 558 000**	**41 123 000**
Netto finans		**162 244 000**	**13 460 000**
Ordinært resultat før skattekostnad		**139 034 000**	**-495 178 000**
Skattekostnad	8	0	161 000
Ordinært resultat etter skattekostnad		**139 034 000**	**-495 339 000**
Profit from discontinued operations		38 877 000	
Årsresultat		**177 911 000**	**-495 339 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
Overføringer og disponeringer			
Overføring til/fra annen EK		177 911 000	-495 339 000
Sum overføringer og disponeringer		**177 911 000**	**-495 339 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Forskning og utvikling	10	4 999 000	
Sum immaterielle eiendeler		**4 999 000**	
Varige driftsmidler			
Skip	10	0	899 240 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	10	0	8 583 000
Sum varige driftsmidler		**0**	**907 823 000**
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap	4	187 840 000	910 245 000
Investeringer i aksjer og andeler	4	440 301 000	8 000
Right-of-use eiendeler	16	2 590 000	4 316 000
Andre langsiktige fordringer		0	8 539 000
Sum finansielle anleggsmidler		**630 731 000**	**923 108 000**
Sum anleggsmidler		**635 730 000**	**1 830 931 000**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	11	859 000	29 942 000
Andre fordringer	11	625 000	18 856 000
Assets held for sale		593 821 000	
Sum fordringer		**595 305 000**	**48 798 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	12	482 698 000	240 430 000
Sum bankinnskudd, kontanter og lignende		**482 698 000**	**240 430 000**
Sum omløpsmidler		**1 078 003 000**	**289 228 000**
SUM EIENDELER		**1 713 733 000**	**2 120 159 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	13,17	154 957 000	154 957 000
Beholdning av egne aksjer	13		-98 000
Overkurs		286 510 000	286 510 000
Sum innskutt egenkapital		**441 467 000**	**441 369 000**
Opptjent egenkapital			
Annen egenkapital		771 755 000	836 236 000
Sum opptjent egenkapital		**771 755 000**	**836 236 000**
Sum egenkapital		**1 213 222 000**	**1 277 605 000**
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	15	6 902 000	6 607 000
Sum avsetninger for forpliktelser		**6 902 000**	**6 607 000**
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	14,16		784 991 000
Øvrig langsiktig gjeld		853 000	2 682 000
Sum annen langsiktig gjeld		**853 000**	**787 673 000**
Sum langsiktig gjeld		**7 755 000**	**794 280 000**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	14		20 212 000
Leverandørgjeld		2 882 000	20 742 000
Skyldige offentlige avgifter		1 595 000	1 862 000
Annen kortsiktig gjeld	16,19	4 337 000	5 458 000
Liabilites of assests classified as held for sale		483 942 000	
Sum kortsiktig gjeld		**492 756 000**	**48 274 000**
Sum gjeld		**500 511 000**	**842 554 000**

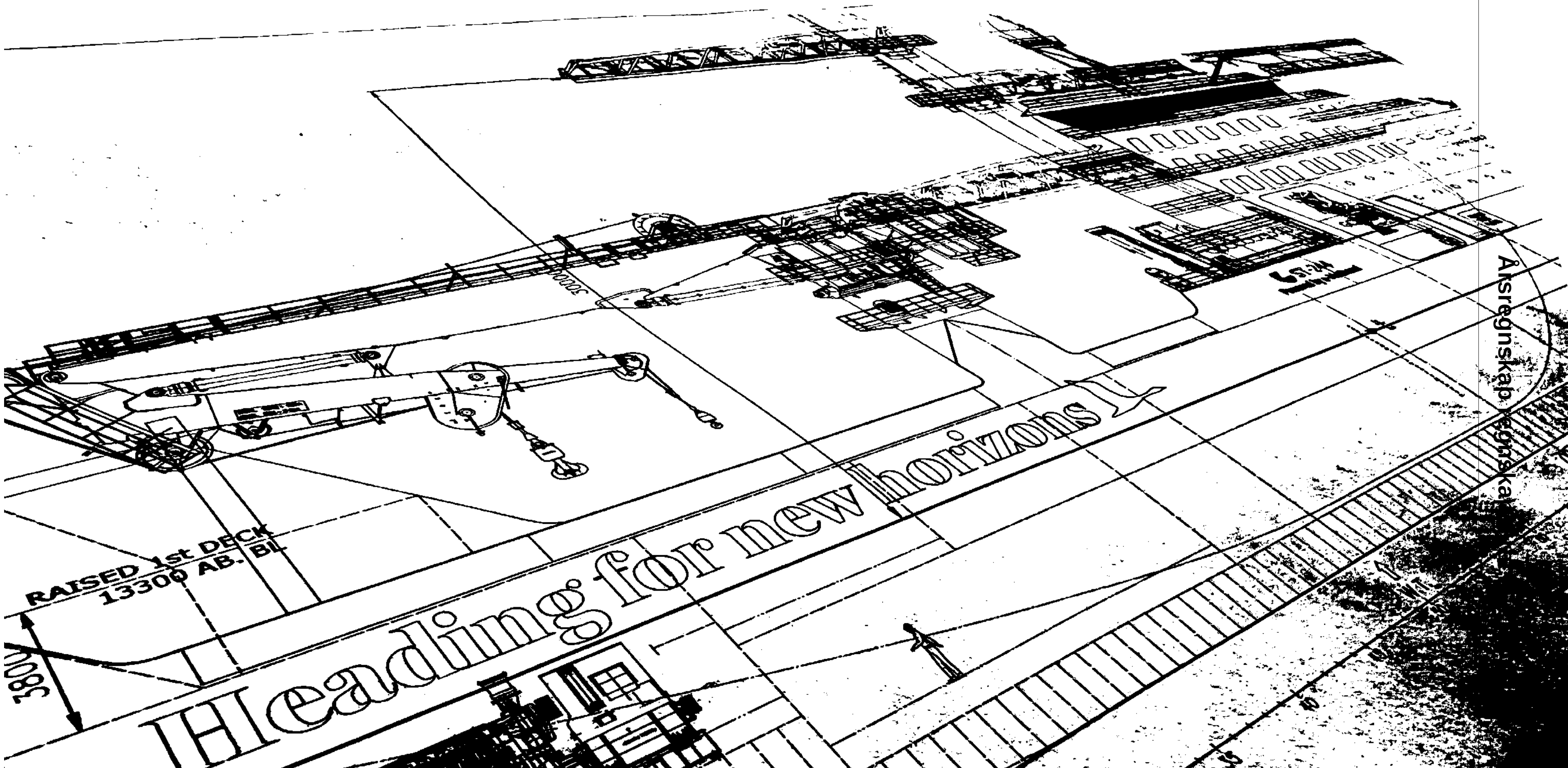
Konsernets balanse

Beløp i: NOK	Note	2021	2020
SUM EGENKAPITAL OG GJELD		**1 713 733 000**	**2 120 159 000**

Annual Report 2021

GC Rieber Shipping

GC RIEBER



Letter from the CEO

For GC Rieber Shipping, the last seven years have been a journey of change. Significant efforts have been made and we are now ready for new sustainable and profitable investments.

The journey of change began with the sharp drop in oil prices in 2014, which led to significant challenges for the entire shipping and offshore industry. The challenging times resulted in a need for numerous restructurings and new constellations in the sector.

For GC Rieber Shipping, the period has been both demanding and eventful. Among other things, we led the establishment of Shearwater, which in a few years has become the world's largest seismic company. In 2020, we made a strategic decision to lessen our oil exposure, reduce our debt obligations and at the same time turn our core activity towards renewable energy at sea. As part of this new direction, we divested our Subsea & Renewables fleet and realised half of our shareholding in Shearwater. Furthermore, we have gone from being a fully integrated shipping company to becoming a project house, and from having about NOK 3 billion in debt in 2015 to being a debt-free shipping company in the first quarter of 2022.

Our strategy is to be a project house that owns ships and develops and invests in profitable and sustainable maritime projects. As of 31.12.2021, we are nine employees, half of whom are dedicated to the development of new projects. Our project department has extensive expertise in marine architecture and project management of newbuildings and has a long history of turning demanding projects into high-quality vessels. Building on our strong legacy of handling complex customer requirements and technologies, we are uniquely positioned to develop tailored, innovative and sustainable solutions for customers worldwide.

Historically, we have developed a wide array of projects within subsea, ice/research and seismic. Going forward, we will have a special focus on environmentally and financially sustainable project development within niches where we can make a difference. GC Rieber Shipping's approach is that new ship designs should, as far as possible, be based on solving a ship's tasks in the most efficient way, but at the same time as safe and gentle as possible to people and the environment. A lowest possible climate footprint throughout a ship's lifetime is an important condition for the development of our new projects.

Entering 2022, we can safely conclude the turnaround has been completed and the new course is set. With a highly competent and forward leaning organization and with strong financials we are in a good position to pursue new and exciting sustainable maritime opportunities.

GC Rieber Shipping's management team. From the left: CEO Einar Ytredal, CCO Christoffer Knudsen and CFO Øystein Kvåle.

Foto: C Foto / Camilla Waage Helmersberg

Corporate Governance

Corporate governance

GC Rieber Shipping (the "Company") aims to exercise good, prudent corporate governance. Good corporate governance is mainly about clarifying the division of roles between the owners, Board of Directors and management beyond the statutory requirements. Furthermore, it is about treating the shareholders equally, taking care of other stakeholders through ensuring the best possible value creation and reducing business risk. Good corporate governance should also contribute to the most efficient and proper use of the Company's resources.

1. REPORT ON CORPORATE GOVERNANCE

Compliance
The Board of Directors of GC Rieber Shipping has the overall responsibility for ensuring good corporate governance of the Company.

GC Rieber Shipping ASA is a Norwegian public limited liability company listed on Oslo Stock Exchange (Oslo Børs). Section 3-3b of the Norwegian Accounting Act relating to corporate governance requires the Company to issue an annual report on its principles and practice for corporate governance. These provisions also state minimum requirements for the content of this report.

The Norwegian Corporate Governance Board (NCGB) has issued the Norwegian Code of Practice for Corporate Governance (the "Code of Practice"). Adherence to the Code of Practice is based on the "comply or explain" principle, which means that a company must comply with all recommendations of the Code of Practice or explain why it has chosen an alternative approach to specific recommendations.

Oslo Børs requires listed companies to publish an annual statement of their policy on corporate governance in accordance with the current Code of Practice. The rules on Continuing Obligations of listed companies are available on www.oslobors.no.

GC Rieber Shipping complies with the current Code of Practice that was issued on 14 October 2021. The Code of Practice is available at www.nues.no. The Company provides a report on its corporate governance principles in its annual report and the information is available at www.gcrieber-shipping.com. The Company follows the Code of Practice and any deviations are explained in the report.

2. BUSINESS

GC Rieber Shipping's business is defined in Article 1 of the Company's articles of association, which reads as follows:

"The name of the company is GC Rieber Shipping ASA. The company is a public limited liability company whose object is to engage in shipping, investment, provision of guarantees, trade and other business. The company's registered office is located in the municipality of Bergen."

The Board of Directors has established strategies, objectives and a risk profile within the defined scope of its business to create value for its shareholders in a sustainable manner, taking financial, social and environmental interests into consideration. The strategies, objectives and risk profile are subject to annual review of the Board of Directors and described in the annual report and on www.gcrieber-shipping.com.

Basic corporate values, ethical guidelines and social responsibility
Ethical guidelines, basic corporate values and guidelines for corporate social responsibility have been established for the GC Rieber group, and GC Rieber Shipping follows the group's guidelines.

The guidelines provide general principles for business practice and personal behaviour and are intended to form a platform for the attitudes and basic vision that should permeate the culture in the GC Rieber group, and how these relate to the value creation by the Company.

In 2010, GC Rieber joined the UN Global Compact, the world's largest corporate social responsibility initiative. UN Global Compact has developed ten universal principles that encourage and show how companies should pay attention to employee and human rights, protection of the environment and combating corruption. By joining the initiative, GC Rieber has committed itself to making the ten principles an integral part of its business strategy, to promote the principles to business partners and to reporting activities and improvements associated with the ten principles.

GC Rieber Shipping issues a separate report on environmental practises, corporate social responsibility and corporate governance (ESG) annually, published in the Company's annual report.

More detailed information relating to the Company's and the GC Rieber group's vision, strategy, values and principles is available at www.gcrieber-shipping.com and www.gcrieber.no.

3. EQUITY AND DIVIDENDS

Equity

As at 31 December 2021, the Company's book equity was NOK 1,213.2 million, which is equivalent to 70.8% of the total assets. The Board of Directors has a policy to have above 35% equity at any time, but the actual equity ratio will vary from time to time due to market circumstances. The Board of Directors considers the equity ratio as at 31 December 2021 to be acceptable. The Company's need for financial soundness and liquidity should be adapted to its objectives, strategy and risk profile.

Dividend policy

The Company's objective is to provide a competitive return on the shareholders' invested capital through payment of a dividend and appreciation of the share price. In considering the scope of the dividend, the Board of Directors emphasises the Company's capacity to pay dividends, the need to have a healthy level of equity and to have adequate financial resources for future growth and investments, while allowing for extraordinary dividends when capitalising on investments.

Following the financial restructuring of the Company in March 2018, no dividend payments or other distributions from the Company were to be made without the prior consent of the lenders. However, the Company`s lenders had consented to the following: 24% of potential dividends from the shares of Shearwater GeoServices Holding AS or 24% of potential proceeds from the sale of such shares in whole or in part, could be distributed to the shareholders of the Company by way of dividends, a share capital reduction or any other manner deemed appropriate by the Company.

Following GC Rieber Shipping's significantly strengthened financial position through 2021, GC Rieber Shipping and its lenders agreed to restore the provisions of the original credit facility agreements and to reverse material changes introduced throughout the restructuring period. Hereunder, the removal of dividend restrictions.

23 September 2021, an extraordinary general meeting approved an additional dividend of NOK 1.23 per share on the basis of the Company's annual accounts for 2020. The

additional dividend, a total of NOK 105.9 million, was paid to the shareholders 5 October 2021.

The Board of Directors proposes to the general meeting a dividend of NOK 0.50 per share on the basis of the Company's annual accounts for 2021.

Capital increase
Authorisations granted to the Board of Directors to increase the Company's share capital shall normally be restricted to specific purposes. As at 31.12.2021 there were no such authorisations granted to the Board of Directors.

Purchase of own shares
The general meeting may grant the Board of Directors a mandate to purchase up to 10 percent of own shares. As at 31 December 2021, there was no such mandate to the Board of Directors regarding purchase of own shares.

4. EQUAL TREATMENT OF SHAREHOLDERS

Equal treatment
GC Rieber Shipping has only one class of shares, and purchase and sale of the shares shall take place over the stock exchange.

The articles of association include no limitations relating to voting rights. All shares have equal rights.

Transactions in own shares
The Company's transactions in own shares are carried out over the stock exchange or by other means at market price. Should there be an increase in capital which involves a waiver of the existing shareholders' pre-emptive rights, and the Board of Directors resolves to carry out such an increase on the basis of a mandate granted by the general meeting, the Board of Directors will explain the justification for waiving the pre-emptive rights in the stock exchange announcement.

Transactions with close associates
The Company's Board of Directors and management are committed to promoting equal treatment of all shareholders.

The Company has one main shareholder, GC Rieber AS, owning 76.8% of the shares as at 31 December 2021.

Any services from the main shareholder are purchased at documented market price.

5. FREELY NEGOTIABLE SHARES

The Company has only one class of shares. All shares in the Company are freely negotiable.

6. GENERAL MEETING

About the general meeting
The general meeting is the Company's supreme authority and the Board of Directors aims to ensure that the general meeting is an efficient meeting place.

Notice of meeting
The general meeting will usually be held by 30 April each year at the Company's offices, or as a hybrid meeting if shareholders request to participate electronically. The general meeting in 2022 will be held on 21 April.

Notice of the general meeting is usually sent with 21 days' notice. At the same time, the agenda papers will be published on the Company's website, cf. Article 5-g of the Articles of Association.

The notice of the general meeting must contain all necessary information so that the shareholders can decide on the issues to be addressed. The registration deadline for the general meeting will be as close to the general meeting as practically possible.

All shareholders registered in the Norwegian Registry of Securities (VPS) will receive a notice of meeting and are entitled to submit proposals and vote directly or via proxy. The financial calendar will be available on the Company's website.

Registration and proxy
Registration should be made in writing, either via mail or e-mail. The Board of Directors wants to facilitate so that as many shareholders as possible are able to participate. Shareholders who are unable to attend in person, are encouraged to appoint a proxy. A special proxy form is available which facilitates separate voting instructions for each issue to be considered by the general meeting and for each of the candidates nominated for election. The Company will nominate one or more persons to vote as proxy for shareholders.

The Chairman of the Board will, and other Board members may, attend the general meeting. The CEO and CFO participate on behalf of the Company, and representatives from the auditor will also participate in the meeting.

Agenda and implementation
The agenda is determined by the Board of Directors. The main items are pursuant to the requirements in the Public Limited Liability Companies Act and Article 7 of the Articles of Association.

The general meeting is able to elect an independent person to chair the meeting.

The minutes of the general meeting are published via a stock exchange announcement and are available at www.gcrieber-shipping.com.

In 2021, the general meeting was held on 21 April and 89% of the total share capital was represented. A total of 26 shareholders were present or represented by proxy.

7. NOMINATION COMMITTEE

Nomination of Board members up for election at the general meeting shall take place through an open dialogue between the largest shareholders. Based on the Company's good experience with such a process and an assessment of the composition of the owners, the Company has decided not to use a nomination committee. This is a deviation from NUES' recommendation.

8. THE BOARD OF DIRECTORS – COMPOSITION AND INDEPENDENCE

Composition of the Board of Directors
Pursuant to the Company's articles of association, the Board of Directors shall consist of 5-7 members who are elected by the general meeting for two years at a time. The Chairman of the Board and the Deputy Chairman are elected by the general meeting. The Board of Directors currently comprises 5 members, of which 2 are female.

The Board of Directors has been elected on the basis of an overall assessment in which competence, experience and integrity are important criteria. An overview of Board members' competence, background and shareholding in the Company is available on the Company's website www.gcrieber-shipping.com.

The Board of Directors' independence
Executive management shall not be members of the Board of Directors.

The Chairman of the Board, Paul-Christian Rieber is CEO and Board member Pål Selvik is CFO of GC Rieber AS, which is the largest shareholder in the Company with 76.8% of the shares.

At 31.12.2021, GC Rieber AS owns 66 145 908 shares in GC Rieber Shipping ASA, constituting 76.8% of the outstanding shares in the Company. GC Rieber Holding AS, Pelicahn AS and AS Javipa together hold 50% of the shares in GC Rieber AS. Through non-controlling interests in these three companies, the Chairman of the Board, Paul-Christian Rieber, indirectly owns 29.3% of the shares in GC Rieber Shipping ASA.

No other Board members have direct or indirect ownership interests in the Company.

The remaining three Board members are regarded as independent of the Company's main shareholder and significant business relations.

9. THE WORK OF THE BOARD OF DIRECTORS

The Board of Directors' duties
The Board of Directors has overall responsibility for management of GC Rieber Shipping and also for supervising the day-today management and the Company's operations. This involves developing the Company's strategy and making sure that it is implemented. The Board of Directors is also responsible for control functions to ensure that the Company has proper operations as well as a responsible asset and risk management.

Instructions for the Board of Directors
Pursuant to the provisions of the Norwegian Public Limited Liability Companies Act, the Board of Directors has established instructions for the Board of Directors that provide detailed regulations and guidelines for the Board of Directors' work and executive work.

The Board of Directors shall ensure that members of the Board of Directors and executive personnel make the Company aware of any material interests that they may have in items to be considered by the Board of Directors.

Instructions for the CEO
A clear division of responsibilities and tasks has been established between the Board of Directors and executive management.

Agreements with related parties
The Company carries out purchase and sales transactions with close associates as part of the normal business operations. All agreements entered into between the Company and its main shareholders (including related companies), and also other business agreements are, and must be, entered into on arm's length terms. Reference is made to note 17 in the Company's 2021 annual accounts, where transactions with close associates are outlined.

Financial reporting
The Board of Directors receives periodic reports with comments on the Company's financial status. As far as interim reports are concerned, the Company follows the deadlines for Oslo Stock Exchange.

Meeting structure
The Board of Directors usually holds six ordinary board meetings a year, evenly distributed over the year. Quarterly and annual accounts, and also salary and other remuneration to leading personnel are dealt with at the board meetings. In addition, a separate strategy meeting is held. Extraordinary board meetings to deal with matters that cannot wait until the next ordinary board meeting are held when required. In addition, the Board of Directors has organised the work in a separate auditing committee. In 2021, eight meetings were held, compared with ten meetings in 2020. In 2021, attendance at the board meetings was 98%, compared with 98% in 2020.

Auditing committee
The main purpose of the auditing committee is to monitor the Company's internal control systems, quality assurance of the financial reporting and ensuring that the auditor is independent. The auditing committee has two members of which one is independent of the Company's business activities and main shareholders. The committee has evaluated the procedures for financial control in the core areas of the Company's business activities. The committee has been informed of the external auditor's work and the results of this work.

The Board of Directors' self-evaluation
The Board of Directors conducts an annual evaluation of its work, way of working and expertise. The Chairman of the Board conducts an annual appraisal of the CEO in accordance with his job description.

10. RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors' responsibilities and the object of internal control

GC Rieber Shipping's risk management and internal control seeks to ensure that the Company has comprehensive control thinking that includes the Company's operations, financial reporting and compliance with applicable laws and regulations. Risk management and internal control also incorporates considerations related to integrating stakeholders in relation to the Company's long-term value creation, including factors such as the Company's basic values, ethical guidelines and guidelines for social corporate responsibility.

The Board of Directors' annual review and reporting

The annual strategy meeting helps lay the foundation for the Board of Directors' discussions and decisions through the year. Review and revision of important governing documents is considered on an on-going basis.

The administration prepares monthly finance reports, which are reviewed by the board members. Quarterly financial reports are also prepared and reviewed by the Board of Directors before the quarterly reporting. The auditor attends meetings with the auditing committee and the board meeting that includes presentation of the annual accounts. The Company's risk aspects and management have been thoroughly described in the report of the Board of Directors.

Overall responsibility for internal control related to the Company's financial reporting is assigned to the Board of Directors' auditing committee. The auditing committee has regular meetings with the administration and the Company's auditor at which accounting principles, use of estimates and other relevant topics are discussed.

Regular reports are submitted to the Board of Directors regarding defined KPIs related to quality, health, environment and safety. In addition, the GC Rieber group has prepared guidelines on business ethics and social responsibility, with which all employees in all the subsidiaries should be acquainted, including GC Rieber Shipping. GC Rieber Shipping has its own coordinator who ensures reporting to the Board of Directors on the status and progress of the Company's social responsibility and sustainability work and who represents the Company in the GC Rieber group's UN Global Compact group.

11. REMUNERATION TO THE BOARD OF DIRECTORS

The general meeting determines annually the remuneration to the Board of Directors. The proposed remuneration is put forward by the Company's largest shareholder. The remuneration shall reflect the Board of Directors' responsibility, expertise, time commitment and the complexity of the Company's activities. Board members who participate in Board committees receive separate compensation for this.

In 2021, the Company's Board received a total remuneration of NOK 1,117,000. The remuneration to each Board member in 2021 is given in note 3 of the parent company's annual accounts. Remuneration to the Board of Directors is not dependent on performance and does not contain any share options.

Members of the Board of Directors and/or companies with which they are associated should not take on specific assignments for the Company in addition to their appointment as a member of the Board, but if they do, this shall be disclosed to the full Board.

12. SALARY AND OTHER REMUNERATION FOR EXECUTIVE PERSONNEL

GC Rieber Shipping has developed guidelines for remuneration of leading personnel, in accordance with the Public Limited Liability Companies Act. The guidelines are available at the Company's website and should be approved by the general meeting on an annual basis. A separate remuneration report will be presented for the annual general meeting, subject to an advisory vote.

13. INFORMATION AND COMMUNICATION

GC Rieber Shipping seeks to treat all participants in the securities market equally through publishing all relevant information to the market in a timely, efficient and non-discriminating manner. All stock exchange reports will be available on the Company's website and on Oslo Børs' news site.

Financial reports
The Company presents preliminary financial statements by the end of February. Complete accounts, together with directors' report and annual report are available to the shareholders no later than three weeks before the general meeting.

The Company's financial calendar is published for one year at a time before 31 December in accordance with the rules of Oslo Børs. The financial calendar is available on the Company's website and also on the website of Oslo Børs.

Other market information
Interim reports and presentation material are available at www.gcrieber-shipping.com.

The Company exercises caution in its contact with shareholders and financial analysts, cf. the Norwegian Securities Trading Act, Norwegian Accounting Act and the stock exchange regulations.

14. TAKEOVER

The Board will not seek to hinder or obstruct any takeover bids for the Company's business activities or shares. Should there be a bid for the Company's shares, the Company's Board of Directors will not exercise authorisations to issue new shares or pass other resolutions in an attempt to obstruct the bid without the approval of the general meeting. Any transaction that in effect is a disposal of the Company's business activities will be decided on by the general meeting.

If a takeover bid has been received, the Board of Directors will initiate an external valuation by an independent adviser and thereafter the Board of Directors will recommend shareholders to either accept or reject the offer. The valuation must also take into account how a possible takeover will affect the long-term value creation in the Company.

15. AUDITOR

Choice of auditor
The Company's auditor will be chosen by the general meeting. PwC has been the Company's auditor since the ordinary general meeting in 2013.

The auditor's relationship to the Board of Directors and the auditing committee
The Board of Directors will at least once a year arrange a meeting with the auditor without the presence of the executive management in the Company. The auditor will present the summary of an annual plan for carrying out the audit work, and the Company's internal control procedures, including identified weaknesses and proposed improvements, will be reviewed with the Board of Directors.

The auditor also participates in board meetings which discuss the annual accounts. At such meetings, the auditor reviews any material changes in the Company's accounting principles, comments on any material estimated accounting figures and any significant matters where there may have been disagreement between the auditor and the administration.

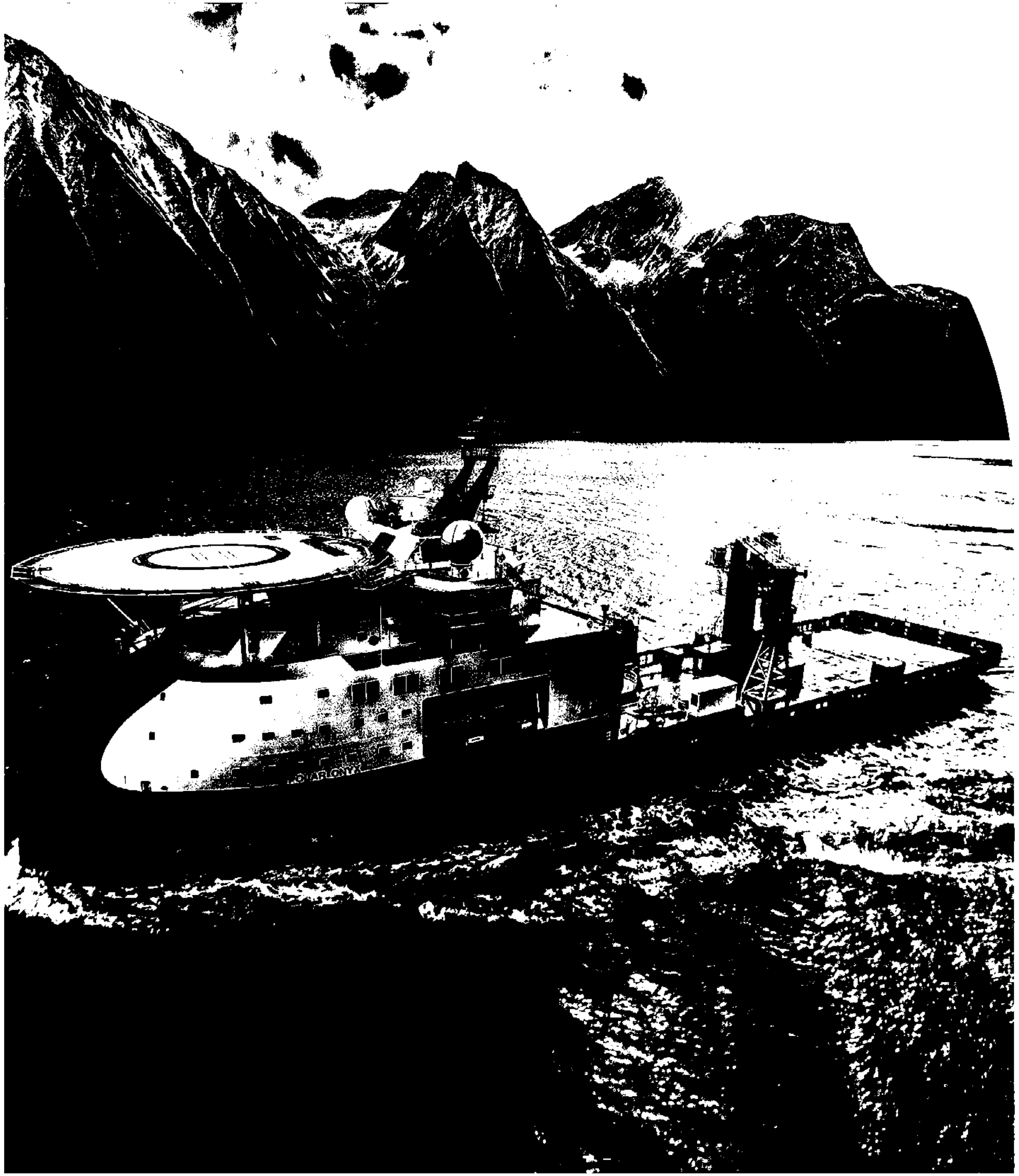
The Board of Directors will inform about the remuneration paid to the auditor, divided between remuneration for audit work and other services, at the annual general meeting.

The Company has established guidelines in respect of the use of the auditor by the executive management for services other than the audit.

SHORTCUTS

ESG-report 2021

SHORTCUTS



ESG-Report 2021

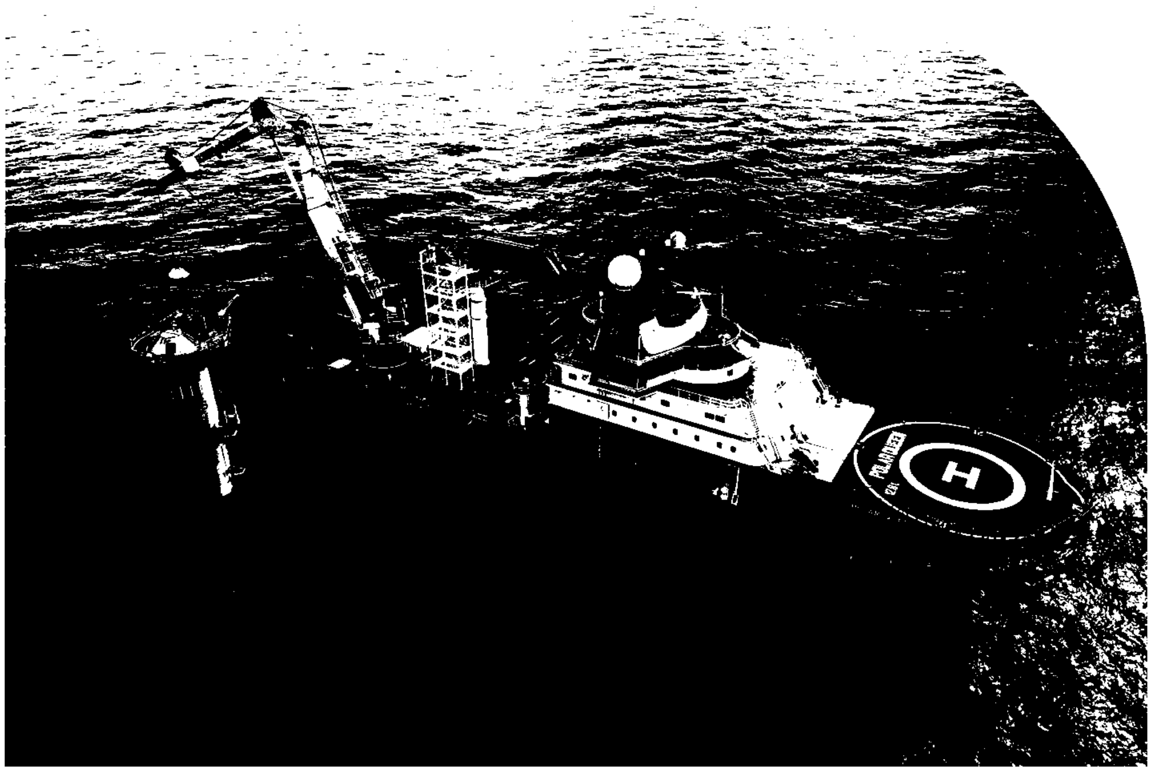
GC Rieber Shipping is strongly committed to corporate social responsibility and sustainability through its entire operation. Efforts to develop operations, practices and investments to minimise effect on the environment and enhance social responsibilities is a constant priority.

Traditionally, GC Rieber Shipping's operations have been heavily targeted towards the oil & gas industry through its former Subsea and Marine Seismic segments. In recent years, however, the strategic focus has been shifted towards renewable energy, including offshore wind, with a significant share of the Group's operating revenues coming from these markets.

Polar Onyx was agreed sold in December 2021 and delivered to the new owners in February 2022. Following the sale, Polar Onyx has left the oil & gas markets to operate within the offshore renewables segment.

Foto: Marius Beck Dahle

SHORTCUTS



Polar Queen was sold in March 2021 and has left the oil & gas markets to become a research ship, targeting advanced oceanographic research, discovery and knowledge, and catalyse sharing of information about the oceans.

In 2020, GC Rieber Shipping pointed out a new strategic direction, to become a pure ship-owner with focus on developing profitable and sustainable maritime projects, and to reduce its exposure towards the oil and gas markets. This strategic journey has been continued in 2021, with the sale of the two last wholly owned vessels, Polar Queen and Polar Onyx. The vessels were originally designed for the subsea oil & gas markets but have both left these markets with their new owners. Following the sales, GC Rieber Shipping is debt free with significant investment capacity, ready to invest in new vessel solutions contributing to the energy shift.

GC Rieber Shipping's exposure towards the oil and gas markets is now primarily held through the investment in the marine geophysical company Shearwater Geoservices Holding AS, in which GC Rieber Shipping reduced its ownership from 17% to 8.5% in 2021, and through the 50% owned Ice/Support joint venture.

The sale of vessels will significantly impact the scope of ESG-reporting for 2022, as the business of the Group will be substantially different from 2021. For 2022, GC Rieber Shipping will continue to use its extensive expertise to contribute to a sustainable development of the offshore industry through new investments.

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

ESG STRATEGY
GC Rieber Shipping has a steadfast commitment to good environmental practices, corporate social responsibility and corporate governance (ESG) within the entire business operation.

International sustainability programs are supported by actively using know-how and competence to drive economic, environmental and social development through own initiatives and efforts. GC Rieber Shipping's culture embraces the need for constantly pushing standards further and to contribute to an even larger matter. A solid ESG strategy is also essential for reaching GC Rieber Shipping's quality objective of client satisfaction above expectations.

Maintaining and pushing ESG standards are essential elements of the partnership and collaboration with ship managers and the operation of the vessels. The Group's ship manager holds certifications according to the International Safety Management (ISM) Code, ISO 9001 standard (quality management) and ISO 14001 standard (environmental management).

GC Rieber Shipping shares ethical guidelines, basic corporate values and guidelines for corporate social responsibility with the GC Rieber group. The guidelines provide general principles for business practice and personal behaviour and are intended to form a platform for the attitudes and basic vision that should permeate the culture in the GC Rieber group, and how these relate to the value creation by the GC Rieber group. In addition, the GC Rieber group has been a member of the UN Global Compact since 2010, and GC Rieber Shipping is thereby committed to integrating UN Global Compact's ten principles as part of its business strategy, promoting these principles vis-à-vis partners and reporting on activities and improvements when it comes to these ten principles. Please refer to the annual report and the website for the GC Rieber group for a closer description.

GC Rieber Shipping reports ESG according to the reporting standard developed by the Global Reporting Initiative (GRI), an independent, international organisation that helps businesses and other organisations take responsibility for their impacts by providing a global common language to communicate those impacts. The GRI-standard is the world's most widely used standard for sustainability reporting. The ESG-report is prepared according to GRI's Core option, meaning the focus of the report is on important elements.

GC Rieber Shipping also supports the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015, which is an urgent call for action by all countries – developed and developing – in a global partnership. Specifically, the SDGs set out 17 goals to improve environmental sustainability, social inclusion, and economic development by 2030.

GC Rieber Shipping's ESG strategy is anchored with the Board of Directors, management and governance structures.

SHORTCUTS

The GRI-standards
GRI creates a common language for organisations – large or small, private or public – to report on their sustainability impacts in a consistent and credible way.

The GRI standards constitute a set of universal standards and a set of topic specific standards; Universal standards apply to all organisations, including contextual information about an organisation and the managements approach to each material topic. Topic specific standards list disclosures relevant to a particular topic in the categories Economic, Environmental and Social.

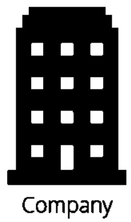
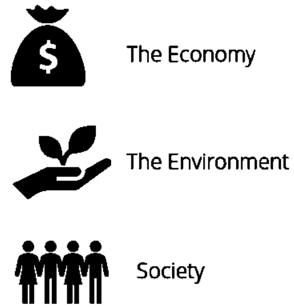


Illustration: CEMAsys 2021



A company should pick topics material for that specific company, and the minimum criteria to GRI is to report on at least one sub-topic under each category Economic, Environmental and Social.

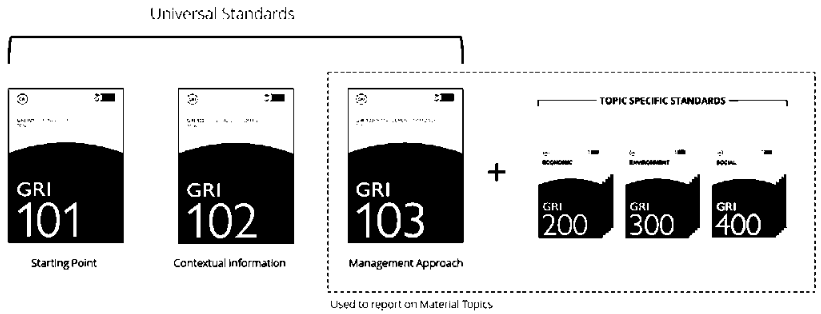


Illustration: CEMAsys 2021

SHORTCUTS

Stakeholder analysis

A fundamental starting point when reporting according to the GRI standard, is to determine what topics should be considered material for the company through engaging different company stakeholders. A stakeholder is defined as: "entities/ individuals that can be reasonably expected to be significantly affected by the reporting organisation's activities/products/services", or "entities/individuals whose actions can reasonably be expected to affect the ability of the reporting organisation to implement its strategies and achieve their objectives".

Engaging different stakeholders helps identifying risks and provides different perspectives then what is internally viewed as important and ensures that the company prioritise issues that matters most to its business and stakeholders.

In 2021, GC Rieber Shipping conducted interviews of representatives from four different groups of stakeholders. From these interviews, GC Rieber Shipping gained important qualitative information about the stakeholders' interests and concerns. On a general note, all stakeholders had high expectations to GC Rieber Shipping when it comes to sustainability.

GC Rieber Shipping, including the Group management, conducted a materiality assessment, ranking the results across the following two dimensions; influence on stakeholder assessment/decisions, and significance of environmental/ social/economic impact. The assessment also considered the Norwegian Shipowners' Association's (NSA) guidelines on ESG reporting in the shipping and offshore industries, updated in November 2021. The guidelines aim for the reports to include the most relevant disclosures, in a way that ensures consistency across the shipping and offshore industries and propose a set of indicators to reflect what most companies within shipping and offshore segments are likely to find relevant.

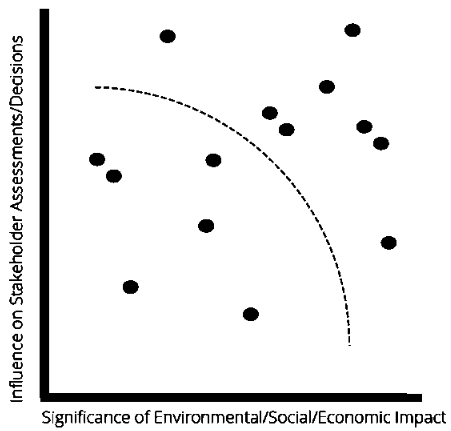


Illustration: CEMAsys 2021

From the materiality assessment, GC Rieber Shipping identified four material topics for the Group's business, providing the foundation for the ESG strategy and the following ESG reporting:

1. Environmental Strategy and Target Setting
2. Business Ethics & Transparency
3. Responsible Ship Recycling & Waste Management
4. R&D for Decarbonized Transition

The four topics, reflecting GC Rieber Shipping's overall policies and ambitions, are summarised below:

Environmental Strategy and Target Setting	*Business Ethics & Transparency*	*Responsible Ship Recycling & Waste Management*	*R&D for Decarbonized Transition*
Make use of the at any time best available technological solutions to minimise the risk of releasing environmentally hasardous substances into air and water, and to stimulate sustainability throughout the value chain.	Ensure the good health and well-being of all employees and contractors. Support and respect the protection of internationally proclaimed human rights and make sure that the business is not complicit in human rights abuses. Actively promote transparency and counteract corruption and bribery.	Facilitate all phases from design of a vessel, operation and to disposal and resycling of the vessel to ensure that the total environmental footprint through a vessel's lifetime is minimised.	Drive research and develop innovative maritime projects with a sustainable profile, contributing to the energy shift.

The UN Sustainable Development Goals

Throughout the report, GC Rieber Shipping will link each material topic to relevant SDGs, complementing the description of the Group's impact on sustainable development. The highlighted SDGs are those considered most material for GC Rieber Shipping's business through the materiality assessment, not, however, implying that the remaining SDGs are considered less important.

ENVIRONMENT

GRI 300

1: Environmental Strategy and Target Setting

Through the stakeholder analysis, the importance of a clear environmental strategy with targets and accompanying key performance indicators (KPIs) was emphasised.

Relevant SDGs are presented in the table below:

RELEVANT SDGS	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER
SDG PRIOIRITY	*Ensure sustainable consumption and production patterns*	*Take urgent action to combat climate change and its impacts*	*Conserve and sustainable use the oceans, seas and marine resources for sustainable development*
RELEVANT SDG TARGETS	12.2 - By 2030, achieve the sustainable management and efficient use of natural resources 12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle 12.8 - By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	13.2 - Integrate climate change measures into (national) policies, strategies and planning 13.3 - Improve education, awareness-raising and human and institutional capacity on climate change mitigation,adaptation, impact reduction and early warning	14.1 - By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution 14.2 - By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans 14.3 - Minimise and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels

GC Rieber Shipping is part of a global shipping industry, that according to the International Maritime Organization (IMO) stands for an estimated 2-3% of total global CO2 emissions. In addition, GC Rieber Shipping's operations have traditionally been targeted towards the oil & gas industry through its former Subsea and Marine Seismic segments. It is evident that the Group has operated in a sphere that has significant potential for reductions in climate footprint.

GC Rieber Shipping has always been dedicated in serving its different market segments in the most efficient way with modern, state of the art vessels, and a target of zero harmful spills to the environment. In recent years, GC Rieber Shipping has had an ambition to reduce its exposure towards oil & gas, and shift focus towards renewable energy, including offshore wind. Significant parts of the operating income have come from renewable market segments over the past few years.

In 2020, the Group set out a new strategic direction to become a pure ship-owner with focus on developing profitable and sustainable maritime projects. The Group's project department holds extensive expertise within naval architecture, engineering and newbuilding project management and has a longstanding history of turning complex projects into high-end vessel assets. Building on the Group's strong heritage of managing complex customer requirements and technologies, also in harsh environments, GC Rieber Shipping is uniquely positioned to develop tailor-made, innovative and sustainable solutions for customers world-wide.

In close collaboration with designers, shipyards, equipment suppliers and ship managers, the Group makes use of the at any time best available technological solutions to build and operate vessels with minimal risk of releasing environmentally hazardous substances into air and water, and to stimulate sustainability throughout the value chain.

The Group's operations are conducted in accordance with international shipping standards and the Group has a proactive approach to compliance with existing and future environmental requirements.

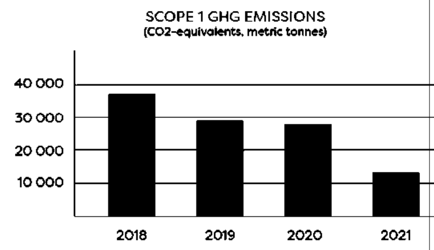
GC Rieber Shipping is strongly committed to lowering the greenhouse gas (GHG) emission intensity of its operations, and to play its part to reach IMO's goal of 50% emission reductions from international shipping by 2050, and the Paris Agreements goal to limit global warming to well below 2 degrees.

Direct (Scope 1) GHG emissions

The following data on Scope 1 GHG emissions is reported for GC Rieber Shipping's total fleet from 2018. While GC Rieber Shipping has always had focus on continuously reducing such emissions in operation, the main reason for the significant reduction over the four-year period is sale of vessels.

In 2018, GC Rieber Shipping's fleet counted three vessels; Polar King, Polar Queen and Polar Onyx. Polar King was sold in August 2020, Polar Queen in March 2021 and Polar Onyx was delivered to the new owners in February 2022. Following the sale of Polar Onyx, GC Rieber Shipping has no vessels and hence Scope 1 GHG emissions will be reduced to none.

The figure below gives the development of gross global Scope 1 GHG emissions to the atmosphere from GC Rieber Shipping's vessels:

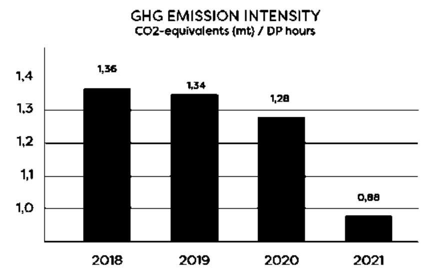


SHORTCUTS

On a general note, the operational mode of GC Rieber Shipping's vessels is determined by the clients when on charter. The number, length and speed of transits, number of thrusters in use when in DP operation (dynamic positioning), all depends on the specific client's needs and will greatly affect the fuel consumption. Thus, for GC Rieber Shipping's business, one cannot draw conclusions solely based on gross fuel consumption.

In DP operation the objective is to ensure safe operations by keeping the vessel absolutely still in the same position. The power consumption required to achieve this greatly depends on weather and current conditions.

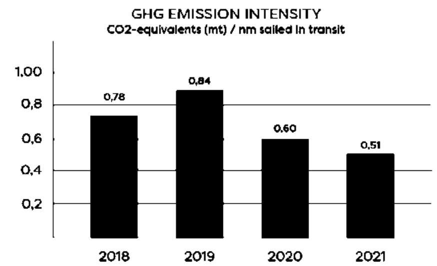
The figure below shows GHG emissions intensity illustrated by CO2-equivalents (metric tonnes) per hours in DP operation:



The positive development in CO2-equivalents (metric tonnes) per hours in DP operation in 2021 is caused by outside variables as previously described.

In transit the vessel moves from one location to another. Energy consumption during transit is affected by client requirements, such as speed, voyage planning, and weather routing.

Scope 1 GHG emission intensity in transit, as CO2-equivalents (metric tonnes) divided by nautical miles sailed during transit, is provided in the figure below:

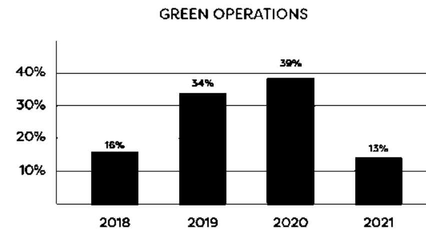


As gross fuel consumption is highly affected by a multitude of outside variables, it is important to have measures in place to reduce GHG emissions in all aspects of the operation. In GC Rieber Shipping, these measures are collectively referred to as Green Operations.

Green Operations include various fuel efficiency measures which are defined in the Ship Energy Efficiency Management Plans (SEEMP). The SEEMPs are reviewed annually. Monitoring and statistical analyses of fuel consumption verifies best-practice for energy efficient engine operations.

In 2020, all vessels were outfitted with advanced fuel consumption monitoring systems. All fuel taken on board the vessels is logged in the Environmental Ship Index, which is designed to improve the environmental performance of sea going vessels.

The share (% of total operating hours) of transits and DP-operations categorised as Green Operations are presented below:



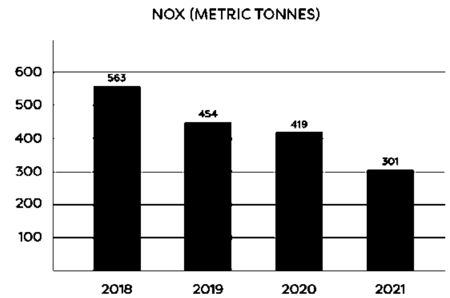
The negative development in share of Green Operations in 2021 is caused by project specific requirements and weather conditions.

GC Rieber Shipping always aims to further reduce GHG emissions through improved fuel monitoring, training of key personnel, implementation of measurable targets and advising clients in efficient fuel operations such as speed/thruster optimisation, voyage planning, weather routing and optimum use of trim, ballast and autopilot to name a few.

Anti-fouling paint on the hulls reduces growth of barnacles and subsequently lower fuel consumption due to less friction. Other means to reduce the energy consumption onboard the vessels have been taken such as shore power capabilities and use of LED.

GC Rieber Shipping's vessels have been equipped with selective catalytic reduction (SCR), which is an advanced active emissions control technology system that injects a liquid-reductant agent through a special catalyst (urea) into the exhaust stream of a diesel engine. By using urea as a reductant, NOx emissions are reduced. The SCR can reduce NOx emissions up to 90%. Since 2020 all vessels were operated in compliance with sulphur regulations, including global sulphur limits and relevant emission control area (ECA) limits. Furthermore, all vessels report their fuel consumption and emission in accordance with the IMO DCS directives and have obtained Statement of Compliance (SoC).

Total NOx emissions from the Group's vessels are presented below:



GC Rieber Shipping has other internal activities such as preparedness for acute pollution from vessels, using environmentally friendly products and environmental management plans. Measures are implemented to manage logistics in the most efficient and environmentally friendly way. For example, planning ahead and sending larger shipments by containers when sending parts and goods to the vessels, rather than smaller and more frequent shipments by airfreight. The vessels seek to use shore power in port whenever possible, eliminating the fuel combustion and subsequent release of greenhouse gases

Climate-related risks include both risks related to the transition to a lower-carbon economy and risks related to the physical impacts of climate change. GC Rieber Shipping acknowledges the importance of immediate climate actions, and factors in this understanding when developing corporate strategies and activities. Furthermore, the Group aims to raise awareness and understanding of climate change and the role of the shipping industry amongst clients, investors, partners, employees and other stakeholders.

When engaging in new projects, environmental criteria are an important part of evaluating new suppliers to the Group. All potential new substantial suppliers are screened using environmental data.

Following the sale of the last wholly owned vessel in February 2022, GC Rieber Shipping will have reduced the Scope 1 GHG emissions to zero. Having valuable experience from managing GHG emissions in a fleet of advanced vessels, GC Rieber Shipping is uniquely positioned to utilise this competence and develop new projects and ship designs compliant with ambitious goals for future emissions.

SHORTCUTS

GRI 200 GRI 400

2: Business Ethics & Transparency

Stakeholders expressed high expectations to GC Rieber Shipping when it comes to business etchics and transparency.

The topic includes both economic and social GRI-disclossures, and relevant SDGs are presented in the table below:

RELEVANT SDGS	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
SDG PRIOIRITY	*Achieve gender equality and empower all women and girls*	*Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*	*Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels*
RELEVANT SDG TARGETS	5.1 - End all forms of discrimination against all women and girls everywhere 5.5 - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life 5.c - Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 8.8 - Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	16.5 - Substantially reduce corruption and bribery in all their forms 16.6 - Develop effective, accountable and transparent institutions at all levels 16.b - Promote and enforce non-discriminatory laws and policies for sustainable development

Making sure that the business supports and respects the protection of internationally proclaimed human rights and making sure that the business is not complicit in human rights abuses, is an integrated part of GC Rieber Shipping's organisation and operations.
GC Rieber Shipping supports the GC Rieber Group's strategy to promote human rights through its membership in UN Global Compact, further information about the membership in UN Global Compact is available in the GC Rieber Group's annual report and website.

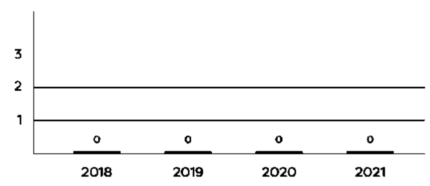
GC Rieber Shipping's commitment to operate responsibly and to respect local laws and regulations is absolute. Implications of relevant laws are communicated to employees through policies and trainings, and effective, accountable and inclusive institutions are built at all levels.

The shipping industry is generally exposed to potential risks relating to corruption and facilitation payments, particularly in relation to the use of agents and for port calls. GC Rieber Shipping has a zero-tolerance approach to corruption and bribery at all levels.

The Group actively promotes transparency, counteracts corruption and bribery and has several anticorruption measures in place with mandatory training of anti-corruption for all employees and hired marine personnel. The training raises awareness about corruption and provides guidelines on how to handle threats of corruption. The Group also works together with peers and other stakeholders to avoid bribery and corruption taking place in the supply chain.

In 2021, there were no confirmed incidents of corruption.

Reported incidents of corruption



In 2021 the Group had no port calls in countries with the 20 lowest rankings in the Transparency International's Corruption Perception Index, and the Group received no fines or sanctions for non-compliance with laws and/or regulations.

GC Rieber Shipping has clear procedures for incident reporting and whistle blowing and has created a work environment which encourages incident reporting and whistle blowing. There have been no cases of whistle blowing the past four years.

The Group is qualified through the Achilles network, a worldwide community dedicated to raising standards and doing business in ways that benefit everyone. GC Rieber Shipping is committed to focus on business ethics and risk management, and to establish effective, accountable and transparent governance structures.

For further information about corporate governance in GC Rieber Shipping, please see separate chapter in the annual report.

The Transparency Act.
As at 31.12.2021, GC Rieber Shipping was compliant with the GC Rieber Group's Code of Conduct, a policy for responsible supplier management and to enforce lasting, resilient partnerships. All significant agreements include human right clauses, and in 2021, GC Rieber Shipping did not identify any suppliers having significant actual or potential negative social impacts in conflict with the current Code of Conduct.

In June 2021, the Norwegian Parliament passed the Transparency Act. The Act shall "promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and ensure the general public access to information regarding how enterprises address adverse impacts on

SHORTCUTS

fundamental human rights and decent working conditions". The act is anchored in several international obligations such as the UN Guiding Principles on Business and Human Rights (UNGP), the OECD Guidelines for Multinational Enterprises and the UN's sustainability goals.

The Transparency Act will apply for GC Rieber Shipping as a publicly traded company with effect from 1 July 2022, meaning GC Rieber Shipping will need to carry out due diligence assessments and get an overview of the consequences their business, supply chains and business partners have on fundamental human rights and working conditions. The results from the assessments will also need to be published.

All new significant suppliers in 2022 will be screened according to the Transparency Act.

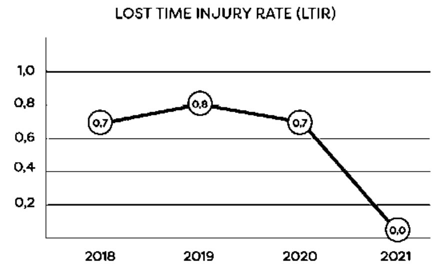
Social

Safeguarding its people is the overall objective in everything GC Rieber Shipping does. The constant search for ways to improve safety performance is embedded in GC Rieber Shipping's culture. Each and every employee and contractor of the Group is responsible for:

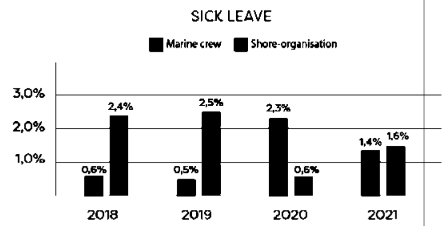
- *seeking and sharing relevant knowledge related to safe work;*
- *being a positive influencer and contributor to a strong safety culture;*
- *creating a trusting work atmosphere to support intervention in unsafe conditions;*
- *being diligent in efforts to ensure integration of safety; and*
- *being creative and dare to question "truths" in the pursuit for improvement opportunities and innovation.*

Through its risk management principles, GC Rieber Shipping has ambition to ensure the good health and well-being of all employees and contractors. Occupational health and safety management systems are implemented, and measurable key performance indicators monitor the effect of the activities performed within the area.

The lost time incident rate (LTIR) for work-related injuries and illness that results in absence from work, beyond the date of the shift when it occurred, is presented below.



Sick leave amongst the marine crew and in the shore-organisation is presented below:



The increase amongst the marine crew from 2020 is partially related to Covid-19 restrictions. Sick leave in the shore organisation in 2021 is in its entirety related to a non-work-related injury.

Gender equality and diversity

GC Rieber Shipping is committed to be an equal opportunities employer. The Group embraces a positive and inclusive working environment, characterised by equality and diversity. GC Rieber Shipping does not accept discrimination of any kind of its employees or other parties involved in the Group's activities. This includes any and all unjust treatment, exclusion or preference based on gender, ethnicity, age, sexual orientation, disability, religion, political persuasion or other circumstances.

The Group operates a policy of complete equality between male and female workers at all levels in the organisation, based on the assumption that an even gender distribution will contribute to an improved working environment and to greater adaptability and improved earnings for the Group in the long run. However, the number of qualified applicants for some of the Group's vacant positions offshore has been limited. As at 31 December 2021, 11% amongst the marine crew were women, up from 7% in 2020.

As at 31.12.2020 the land organisation consisted of eight employees, all men, while as at 31.12.2021 the land organisation counted eight men and one woman. The management group consisted of three men. No employees left the Group in 2021.

The Board of Directors consists of three men and two women as at 31.12.2021, compared with three men and one woman as at 31.12.2020.

The industry in which the Group operates has had, and still has an overweight of male representation. The Board of Directors acknowledges the current situation in the Group, which comes as a result of the transfer of business and 60% of the employees to OSM in 2020. GC Rieber Shipping is strongly committed to improve the female representation by:

- *implementing gender-sensitive recruitment and retention practices and ensuring equal access to all company-supported education and training programs;*
- *supporting women's leadership and ensuring sufficient participation of women in decision making and governance bodies at all levels and across all business areas;*
- *including non-discrimination clauses in supplier code of conduct policies and supporting suppliers in advancing gender equality and women's empowerment;*
- *ensuring business activities, products and services that respect the dignity of women, and do not reinforce harmful gender stereotypes.*

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

ENVIRONMENT

GRI 300

3: Responsible Ship Recycling & Waste Management

GC Rieber Shipping operates on and in the oceans. Ships in GC Rieber Shipping's possession are typically of considerable size and could negatively impact the environment if not handled responsibly. Ship-breaking activities have become a significant environmental challenge with hundreds of large ships being scrapped each year, gaining significant attention with several stakeholders. As part of GC Rieber Shipping's strategy, we are highly committed to ensure that our business has minimal impact on the ocean's ecosystems through a vessel's entire lifetime.

Relevant SDGs are presented in the table below:

RELEVANT SDGS	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	14 LIFE BELOW WATER
SDG PRIOIRITY	*Ensure sustainable consumption and production patterns*	*Conserve and sustainable use the oceans, seas and marine resources for sustainable development*
RELEVANT SDG TARGETS	12.2 - By 2030, achieve the sustainable management and efficient use of natural resources 12.4 - By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment 12.5 - By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	14.1 - By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution 14.2 - By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans 14.3 - Minimise and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels

SHORTCUTS

GC Rieber Shipping targets a fleet of modern vessels, which include selling vessels before they are at the end of their life cycle. As such, scrapping of vessels is not a direct activity for GC Rieber Shipping's operations. Still, responsible ship recycling and waste management is still highly relevant through GC Rieber Shipping's entire business - from the design of vessels, during operation and to disposal of the vessels at the end of the vessels` lifetime. The Group is dedicated in facilitating these different faces so that the total environmental footprint of a vessel is minimised.

Already when designing a ship, GC Rieber Shipping has disposal of the ship at the end of its life cycle in mind. This includes an aim of using components with a low environmental footprint and to make it easier to recycle and reuse the vessel's different components when dismantling the ship, all in close collaboration with shipyards.

Responsible ship recycling clauses are always included whenever vessels are sold, and the Group has certified its vessels to be in compliance with the EU Ship Recycling Regulation (EU SRR).

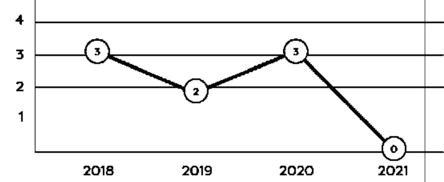
All vessels follow the mandatory MARPOL which regulates discharge and waste from vessels. All garbage produced on board are segregated and logged; and measures are in place to reduce garbage in general and plastics in particular. Plastic recycling/reduction targets is set for the Group and for relevant suppliers. Whenever possible, waste and litter found in the ocean are taken onboard and treated as per MARPOL regulations. Ghost nets, plastics and other waste getting attached to the in-water equipment are removed from the oceans and brought to shore for proper disposal. All vessels are also compliant with the IMO Ballast Water Management convention.

GC Rieber Shipping has taken its owned vessels above and beyond the applicable environmental legislative worldwide standards for shipping as they are classified as "Clean Design" by DNV. This is an optional classification, giving further requirements on emissions to air (fuel oil management plan, NOx and SOx emissions, firefighting substances and shipboard incinerators), discharges to sea (oil bunkering arrangements, ballast and bilge water, garbage, sewage and antifouling to prevent growth and transfer of alien species and environmental responsibilities. All owned vessels have strict oil tank protection, 5ppm oily bilge separators and alarms and approved ballast water treatment systems.

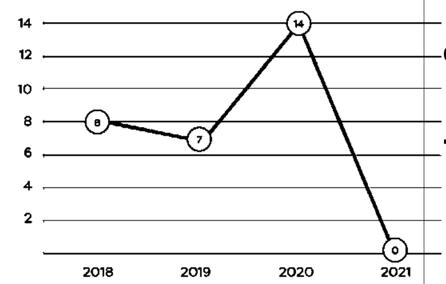
The Group has an objective of zero uncontrolled releases of harmful substances in the natural environment.

The number of potentially harmful spills, and aggregate volume of potentially harmful spills, are presented below:

NUMBER OF POTENTIALLY HARMFUL SPILLS PER YEAR



AGGREGATE VOLUME OF POTENTIALLY HARMFUL SPILLS (LITERS PER YEAR)



4: R&D for Decarbonized Transition

This material topic is closely linked to GC Rieber Shipping's material topic 1, Environmental Strategy and Target Setting. In recent years, activities towards offshore renewable energy have been increased as part of GC Rieber Shipping's strategy. The market for offshore wind is evolving rapidly and the focus on innovation is increasing. Research and development for decarbonisation of the shipping industry and the global energy mix is at the core of this strategy.

R&D for Decarbonized Transition is not directly tied to a topic specific GRI disclosures. The topic is, however, closely linked to SDG 7 – Affordable and Clean Energy:

RELEVANT SDGS	
SDG PRIOIRITY	*Ensure access to affordable, reliable, sustainable and modern energy for all*
RELEVANT SDG TARGETS	7.1 - By 2030, ensure universal access to affordable, reliable and modern energy services 7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix 7.3 - By 2030, double the global rate of improvement in energy efficiency 7.a - By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology

The Group has developed several designs aimed at the maintenance and commissioning of offshore wind turbines, and also additional concepts within the segment that go beyond the traditional solutions. Going forward the Group will continue to pursue attractive opportunities, including the development of innovative ship designs with a sustainable profile and reduced climate footprint throughout the vessel's life. Following the recent sale of vessels, GC Rieber Shipping is debt free with a significant investment capacity, eager to realise new exciting opportunities with a strong market potential.

The scope of reporting on this material topic is expected to grow significantly in GC Rieber Shipping's future ESG-reports.

SHORTCUTS

Report of the board of directors

Report of the Board of Directors

In 2021, GC Rieber Shipping continued the strategic journey set out in 2020 to become a pure ship-owner with focus on developing profitable and sustainable maritime projects.

In March 2021 the company sold the IMR vessel Polar Queen, and in December 2021 the company entered into an agreement to sell the last vessel in the Subsea & Renewables segment, the SURF/Construction vessel Polar Onyx. The delivery of Polar Onyx in February 2022 not only marked the sale of GC Rieber Shipping's final wholly owned vessel, but also the repayment of the Group's debt in full.

After several challenging years following the oil crisis in 2014, GC Rieber Shipping has emerged debt free with significant investment capacity, ready to invest in new vessel solutions contributing to the energy shift.

OPERATIONS AND STRATEGY

From a focus on oil-related activities, GC Rieber Shipping has turned its attention towards renewable energy at sea. However, the company's existing assets and results are still closely linked to the development within offshore oil and gas through 50/50 joint ventures and the 8.5% investment in the marine geophysical company Shearwater Geoservices Holding AS (Shearwater).

GC Rieber Shipping's strategy is developing profitable and sustainable maritime projects and owning ships. The company's project department holds extensive expertise within naval architecture engineering and newbuilding project management and has a longstanding history of turning complex projects into high-end vessel assets. Building on the company's strong heritage of managing complex customer requirements and technologies, also in harsh environments, GC Rieber Shipping is uniquely positioned to develop tailor-made, innovative and sustainable solutions for customers world-wide.

The company's headquarter is in Bergen (Norway), with an additional 50% owned ship management company in Yuzhno-Sakhalinsk (Russia). The company is listed on Oslo Børs with ticker RISH.

The company emphasises that the information included in this annual report contains certain forward-looking statements that address activities or developments that the company expects, believes or anticipates will or may occur in the future. The statements are based on assumptions and estimates, and some of them are beyond the company's control and therefore subject to risks and uncertainties.

HIGHLIGHTS 2021
(Figures for 2020 are given in brackets)

- *Net profit of NOK 177.9 million, including sale of shares in associated company of NOK 186.7 million (net loss of NOK 495.3 million, including impairment of NOK 459.1 million)*
- *Contract backlog of NOK 90 million as of 1 January 2022* [1]
- *An additional dividend of NOK 1.23 per share was paid in October 2021*
- *A dividend of NOK 0.50 per share will be proposed to the annual general meeting in 2022*

[1] Related to the JV ice/support in Russia, excluding charterers' extension options.

Sale Polar Queen

On 23 March 2021, GC Rieber Shipping sold the IMR vessel Polar Queen, built at Freire Shipyard in 2011. The sale resulted in a positive liquidity effect of approximately NOK 22.0 million after repayment of the vessel's outstanding debt. Gain from the sale was NOK 21.0 million, in addition the sale triggered the recycling of foreign currency translation differences of NOK 155.2 million (non-cash effect).

Contract updates in the period

Polar Onyx completed its 3-year contract with DeepOcean in Ghana in May 2021 and completed a new 4-months contract in September 2021 for a Tier 1 client in the North Sea.

Sale Polar Onyx / discontinued operations

In December 2021, GC Rieber Shipping entered into an agreement to sell the SURF/Construction Vessel Polar Onyx, built at Ulstein Verft in 2014. The sale included the VLS tower onboard the vessel. The buyer was the offshore wind service conglomerate Dong Fang Offshore Co., Ltd, and Hung Hua Construction Co., Ltd., and the vessel was delivered to the new owners 17 February 2022.

The sale resulted in a positive liquidity effect of approximately USD 20 million after repayment of the vessel`s outstanding debt. Due to the sale, an impairment of NOK 36.4 million was recognised in the fourth quarter of 2021.

As Polar Onyx was the last vessel in the Subsea & Renewables segment, the segment is presented as discontinued operations as at 31.12.2021.

Following the sale, GC Rieber Shipping is debt free.

Subsea & Renewables credit facilities

Entering 2021, GC Rieber Shipping had two Subsea & Renewables credit facilities. One was repaid in full following the sale of Polar Queen in March 2021, and the other was repaid in full in February 2022 following the sale of Polar Onyx.

The credit facilities have been subject for several amendments since the refinancing of the company in 2018, also in 2021;

In the second quarter of 2021, the 80% reduction of scheduled amortization was prolonged, and the cash sweep mechanism suspended until final maturity in December 2022. In consideration of these amendments, GC Rieber Shipping made a loan prepayment of NOK 69 million, which replaced the cash sweep payment scheduled for June 2021 of approx. NOK 46 million.

Following GC Rieber Shipping's significantly strengthened financial position through 2021, GC Rieber Shipping and its lenders in the third quarter of 2021 agreed to restore the provisions of the original credit facility agreement and reverse material changes introduced throughout the restructuring period. Specifically, investment and dividend restrictions were removed, and scheduled amortisation with full instalments restored. The credit facility had final maturity in December 2022 but was repaid in full following the sale of Polar Onyx in February 2022, leaving GC Rieber Shipping debt free.

See note 14 to the consolidated accounts for further details.

Shearwater

In April 2021, GC Rieber Shipping's at the time 17% owned marine geophysical company Shearwater Geoservices Holding AS (Shearwater) announced two transactions where Shearwater took over marine seismic acquisition assets previously owned by Polarcus, from Tiger Moth AS, a company affiliated with Woodstreet Inc.. Shearwater acquired the streamers and related seismic equipment for a total cash consideration of USD 50 million. The company further purchased the six seismic acquisition vessels for a total consideration of USD 127.5 million. The transactions were financed through a new vessel loan facility provided by DNB and GIEK of USD 107.5 million and a convertible loan from Rasmussengruppen AS in the amount of USD 85 million. USD 15 million of the convertible loan was available for general corporate purposes.

On 9 July 2021, GC Rieber Shipping sold shares in Shearwater reducing its ownership from 17.0% to 8.5%. Gross proceeds from the sale were USD 50.5 million. Following the transaction, GC Rieber Shipping was no longer party to the shareholder agreement and the remaining shares were booked as financial assets at fair value.

Additional dividend

23 September 2021, an extraordinary general meeting approved an additional dividend of NOK 1.23 per share on the basis of the company's annual accounts for 2020. The additional dividend, a total of NOK 105.9 million, was paid to the shareholders 5 October 2021.

Events after the end of the period

Sale of Polar Baikal

GC Rieber Shipping has sold the crew boat Polar Baikal, owned through the 50/50 joint venture in the Ice/Support segment. The vessel has been chartered to the Sakhalin Energy Investment Corporation (SEIC) for 12 years and was delivered to the new owners in February 2022. The sale will have limited accounting effects.

Business and assets in Russia

The ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. It is currently uncertain to what extent the business will be affected. GC Rieber Shipping is monitoring the situation closely to comply with all sanctions.

FINANCIAL REVIEW

As at 31 December 2021, the Subsea & Renewables segment is presented as discontinued operations.

Profit and loss

The GC Rieber Shipping group's (the "Group") total operating income in 2021 excluding discontinued operations was NOK 2.4 million (NOK 4.9 million). EBITDA excluding discontinuing operations amounted to NOK 129.7 million (NOK 20.9 million), including gain from sale of shares in Shearwater of NOK 186.7 million.

Net operating income (EBIT) excluding discontinued operations was NOK 128.0 million (NOK 19.1 million).

Net financial items excluding discontinued operations was NOK 11.1 million (negative NOK 2.4 million), including unrealised currency gain of NOK 6.2 million (loss of NOK 14.5 million).

The Group's net profit for 2021 was NOK 177.9 million (loss of NOK 495.3 million, including impairment from discontinued operations of NOK 459.1 million). Earnings and diluted earnings per share amounted to NOK 2.07 (NOK -5.75).

Cash flow

For 2021 the Group had a positive cash flow of NOK 240.4 million (positive NOK 40.2 million).

Cash flow from operating activities was negative NOK 3.5 million (positive NOK 68.7 million).

Cash flow from investment activities was positive NOK 780.0 million, including NOK 440.1 million from the sale of financial fixed assets and NOK

339.9 million from sale of discontinued fixed assets (positive NOK 316.5 million, including NOK 281.2 million from the sale of discontinued fixed assets).

Cash flow from financing activities was negative by NOK 536.2 million. The amount includes the additional dividend of NOK 105.9 million, and payment of interests and instalments of NOK 428.6 million related to discontinued operations (negative NOK 344.9 million, including payment of interests and instalments of NOK 343.1 million related to discontinued operations).

As at 31 December 2021, the Group's holding of liquid assets was NOK 482.7 million (NOK 240.4 million).

Net cash flow for GC Rieber Shipping ASA was positive NOK 192.8 million in 2021 (positive NOK 51.1 million), with a cash holding of NOK 219.4 million as at 31 December 2021 (NOK 179.2 million).

Balance sheet

The Group's total assets as at 31 December 2021 amounted to NOK 1,713.7 million (NOK 2,120.2 million), whereof NOK 593.8 million related to discontinued operations. Total assets in GC Rieber Shipping ASA amounted to NOK 879.6 million (NOK 1,001.8 million).

As at 31.12.21 GC Rieber Shipping has booked NOK 5.0 million in research and development, related to new ship designs.

The Group's book equity as at 31 December 2021 was NOK 1,213.2 million (NOK 1,277.6 million), corresponding to an equity ratio of 70.8% (60.3%). Book equity for GC Rieber Shipping ASA was NOK 582.8 million (NOK 640.7 million).

Financing

All of GC Rieber Shipping's interest-bearing liabilities in 2021 was related to the discontinued Subsea & Renewables segment. Following the sale of Polar Onyx completed in February 2022, the Group is debt free. See note 14 for further information.

For 2021 in total, the Group paid NOK 409.8 million in loan instalments. The amount included ordinary debt instalments, a prepayment of NOK 69 million related to the refinancing in the second quarter, and NOK 264.4 million related to the sale of fixed assets (NOK 343.1 million including ordinary debt instalments, a cash sweep of NOK 93.6 million and NOK 286.9 million related to the sale of fixed assets).

The Group's liquid assets in terms of bank deposits and interest-bearing securities as at 31 December 2021 amounted to NOK 482.7 million (NOK 240.4 million). The Group's liquid assets are primarily held in NOK and USD.

As at 31 December 2021, the Group had net interest-bearing assets of NOK 63.5 million (net liabilities of NOK 567.5 million). At the same time the parent company, GC Rieber Shipping ASA, had net interest-bearing assets of NOK 421.2 million (NOK 219.4 million).

GC Rieber Shipping's covenants are tied to working capital and equity for all its liabilities. GC Rieber Shipping's Subsea & Renewables credit facilities, originally from 2014, were refinanced and amended in the first quarter 2018 to improve the company`s financial runway in challenging market conditions. Following GC Rieber Shipping's significantly strengthened financial position the past year, GC Rieber Shipping and its lenders agreed to restore the provisions of the original credit facility agreements and to reverse material changes introduced throughout the restructuring period. Specifically, investment and dividend restrictions were removed, and scheduled amortisation with full instalments restored. The credit facility had final maturity in December 2022 but was repaid in full in February 2022 following the sale of Polar Onyx. GC Rieber Shipping complied with the amended financial covenants throughout 2021 and at 31 December 2021. See note 14 to the consolidated accounts for further details.

Foreign currency situation

The Group's reporting follows the International Financial Reporting Standards (IFRS), which are the accounting principles adopted by the EU. The Group does not use hedge accounting for its financial instruments, and changes in the market value of financial hedging instruments are therefore recognised in the profit statement, in accordance with IFRS 9.

The GC Rieber Shipping Group uses the Norwegian krone (NOK) as its presentation currency, while several of its subsidiaries have USD as functional currency. Therefore, the international accounting standard IAS 21 applies.

Any change in the USD/NOK exchange rate affects the Group's equity and profit, as the Group's interest-bearing debt and fixed assets are denominated mainly in USD and translated at the USD/NOK exchange rate on the balance sheet date. For subsidiaries with USD as functional currency, translation differences arising in respect of vessels and debt are recognised as other comprehensive income. Translation differences will also arise for subsidiaries that have USD as functional currency and hold liquid assets in NOK. These holdings are translated into USD respectively at the exchange rate on the balance sheet date, and translation differences are carried against the statement of comprehensive income.

MARKET DEVELOPMENT AND SEGMENTS

GC Rieber Shipping's activities are closely linked to the energy markets. With the sale of vessels in 2021, GC Rieber Shipping's exposure towards the oil & gas markets is reduced, however, both the 50/50 joint ventures and the 8.5% investment in the marine geophysical company Shearwater Geoservices Holding AS (Shearwater) remains. For future projects, GC Rieber Shipping is targeting the markets for offshore renewable energy.

The market for offshore wind is developing rapidly. As part of GC Rieber Shipping's strategy, the company has developed several designs aimed at the maintenance and commissioning of offshore wind turbines. The company has also developed additional concepts within the segment that goes beyond the traditional solutions. GC Rieber Shipping considers these to be exciting opportunities with good market potential. Specifically, GC Rieber Shipping seeks to develop innovative, profitable vessel solutions with a sustainable profile, with the aim of significantly reducing the climate footprint throughout the vessel's lifetime.

The Ice/Support market is stable with indications of favourable developments in niche segments; however, the ongoing war in Ukraine and related sanctions against Russia, have increased the risk related to the Group's joint ventures and assets in Russia.

Subsea & Renewables (discontinued)

Entering 2021, GC Rieber Shipping had two vessels within the Subsea & Renewables, Polar Queen and Polar Onyx.

Polar Queen was sold in March 2021 and was idle until the sale. Gain from the sale was NOK 21.0 million, in addition the sale triggered the recycling of foreign currency translation differences of NOK 155.2 million (non-cash effect). Following the sale, the vessel's debt was repaid in full.

Polar Onyx finished its 3-year contract with DeepOcean in May 2021, after which the vessel returned to the North-Sea for a 4-months contract for a Tier 1 client. The vessel was idle from the start of October 2021 and was agreed sold in December 2021. Delivery to the new owner was 17 February 2022. The sale resulted in a positive liquidity effect of approximately USD 20 million after repayment of the vessel's outstanding debt in full. Due to the sale, an impairment of NOK 36.4 million was recognised in the fourth quarter of 2021.

As a result of the sales of the two vessels in 2021, the Subsea & Renewables segment is presented as discontinued operations as at 31.12.2021. Profit from discontinued operations was NOK 38.9 million in 2021, including impairment of NOK 31.9 million reflecting the vessels selling price (negative NOK 512.1 million, including impairment of NOK 459.1 million).

Joint Ventures

Ice/Support

As at 31.12.2021 GC Rieber Shipping owned the ice breaker Polar Pevek and the two crew vessels Polar Piltun and Polar Baikal through 50/50 joint ventures located in Cyprus with external parties. Polar Baikal was sold in the first quarter of 2022. The vessels are operated by a 50% owned ship management company in Yuzhno-Sakhalinsk in Russia. GC Rieber Shipping's 50% stake is reported in the profit and loss statement under «Profit from joint ventures and associates».

Polar Pevek is chartered to Exxon Neftegas until 2023 and operates out of the DeKastri oil terminal, assisting tankers carrying oil from the Sakhalin I offshore field outside eastern Russia. Polar Piltun is currently idle.

GC Rieber Shipping's share of profit in 2021 amounted to NOK 26.7 million (NOK 48.4 million). The reduced profit compared with 2020 is mainly due to a planned docking of Polar

Pevek and Polar Baikal being idle for the entire period.

The ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the joint ventures and assets located in Russia. It is currently uncertain to what extent the business will be affected. GC Rieber Shipping is monitoring the situation closely to comply with all sanctions.

Financial fixed assets

Shearwater

As a result of GC Rieber Shipping's reduced ownership in Shearwater from 17% to 8.5%, the investment is booked as a financial asset at fair value from 9 July 2021. The investment was previously reported in the profit and loss statement under «Profit from joint ventures and associates».

Shearwater operates as a global, customer-focused and technology-driven provider of marine geophysical services. Shearwater owns and operates a large fleet of seismic acquisition vessels, offering a full range of acquisition services including 3D, 4D and ocean bottom seismic. The company also has a portfolio of proprietary streamer technology and processing software enabling effective execution of geophysical surveys and delivery of high-quality data. The company has approximately 800 employees and operates in all major offshore basins across the world. This makes Shearwater a leading global and technology-driven full-service provider of marine geophysical services, able to deliver exceptional customer solutions.

The acquisition of marine seismic acquisition assets previously owned by Polarcus in April 2021 further strengthened Shearwater's capabilities and helped accelerate its fleet renewal program. Covid-19 has continued to affect the seismic market in 2021, however with a modern and flexible fleet, Shearwater is positioned to partake in the expected improving market going forward.

GC Rieber Shipping`s share of profit in 2021, up until 9 July 2021, was negative NOK 61.7 million (negative NOK 33.9 million, including a non-cash financial income of NOK 51.7 million from the conversion of a vendor note related to the CGG transaction in January 2020).

GOING CONCERN

Based on the above report of profit and loss for the GC Rieber Shipping Group, the Board of Directors confirms that the financial statements for 2021 are prepared on the principle of going concern and that there is basis for adopting this principle in accordance with section 3-3 of the Norwegian Accountancy Act.

ALLOCATION OF PROFITS

The parent company GC Rieber Shipping ASA had a net profit of NOK 90.7 million in 2021, including sale of shares in subsidiaries of NOK 113.0 million (net loss of NOK 121.6 million, including a write-down of receivables from a subsidiary of NOK 104.4 million). The parent company's equity as at 31 December 2021 amounted to NOK 585.8 million (NOK 640.7 million).

The Board of Directors proposes a dividend of NOK 0.50 per share for 2021.

The profit for the year is proposed allocated as follows:

(NOK MILLION)	
Allocated for dividends:	43.0
Transferred to other equity:	47.6
Total allocated:	90.6

FINANCIAL RISK AND RISK MANAGEMENT

Risk management

GC Rieber Shipping operates in a global and cyclical market, exposing the Group to several risk factors as well as the development in the markets for petroleum- and offshore renewable products. The Board of Directors of GC Rieber Shipping therefore focuses on risk management and risk control, and routines have been implemented to mitigate risk exposure. Operative risk management is handled by the financial department and is reported to the Board of Directors regularly. The Group has a separate audit committee that monitors and follows up on the Group's internal risk and control systems. Audit committee meetings are held in connection with the presentations of annual and interim reports.

The Group has a general liability insurance in addition to insurance for the Board of Directors for their possible liability to the company and third-party interests.

Market risk

As the Group has activities towards the ice/support and oil & gas industry, GC Rieber Shipping is closely linked to developments in the energy sector, geopolitical developments and exploration and research-related operations in Arctic environments.

Covid-19 and a highly volatile oil price have affected GC Rieber Shipping through 2021 as in 2020. Although the Group has not lost any business as a result of these events, the Group has faced higher costs keeping the vessels operational through the challenging times.

Having sold all fully owned vessels, the Group's exposure towards market risk is reduced for the time being. However, the ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. It is currently uncertain to what extent the business will be affected.

Financial risk

Currency risk

As the Group's income comes in NOK, USD, GBP and EUR, and operational and administration costs are mostly in NOK, USD and EUR, the Group is exposed to fluctuations in exchange rates. To reduce currency risk, the Group's liabilities has mainly been held in USD. In addition, there is a continuous evaluation of hedging methods related to expected future net cash flow in USD and other relevant currencies.

Interest risk

The Group continuously assesses how large a share of its exposure to the interest level should be secured by hedging agreements and has traditionally used different types of interest rate derivatives as a protection against fluctuations in the interest level.

At the end of 2021, 100% of the Group's liabilities were secured with a fixed interest rate. Following the sale of Polar Onyx in February 2022, the Group has no interest-bearing liabilities.

Credit/Counterparty risk

When including all contracts secured up until the reporting date for this annual report, contract backlog was NOK 90 million as of 1 January 2022 (NOK 216 million), all related to the JV Ice Support with increased risk due to the ongoing war in Ukraine and related sanctions against Russia. GC Rieber Shipping is monitoring the situation closely.

Liquidity risk

The Group's financing structure is described in note 14 to the consolidated accounts. Lenders include recognised Norwegian and international shipping banks.

GC Rieber Shipping maintains an active liquidity management. Deposits are made in financial institutions with high financial status as well as in interest-bearing securities with high liquidity and low credit risk.

Operational risk

There will always be a risk of unforeseen operational problems, which could result in higher operational costs and lower income than predicted and expected. GC Rieber Shipping is dedicated in ensuring good and stable operations and has several systems and routines for quality assurance to minimise unforeseen incidents as much as possible.

ENVIRONMENT, CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE GOVERNANCE (ESG)

GC Rieber Shipping is committed to practice good corporate social responsibility, and the Group has a proactive approach to corporate social responsibility and sustainability in all parts of the organisation. A separate report on environment, corporate social responsibility and corporate governance is provided in the annual report.

The company sets a high standard for corporate governance, in compliance with The Norwegian Code of Practice for Corporate Governance (cf. most recent edition dated 14 October 2021). A more detailed description of the Group's Corporate Governance is provided in a separate chapter in the annual report.

Organisation and employees

GC Rieber Shipping had a total of 9 (8) employees at the end of 2021, all employed in the land organisation. In addition, the Group had 48 (72) contracted mariners for the Group's owned vessel, and the management company in the joint venture in YuzhnoSakhalinsk (Russia) had 5 (5) employees.

Please refer to note 3 in the parent company's Financial Statement for details on payroll expenses, and also the separate report on remuneration to leading personnel.

Health, Safety, Environment and Quality (HSEQ)

The HSEQ-objective for GC Rieber Shipping's operations is to prevent personal injuries, environmental spills and property damages, and to achieve client satisfaction above expectations. HSEQ is fully integrated in all operations and practices and subject to constant evaluation to push the standards to higher levels.

Further information regarding health, safety and environment in GC Rieber Shipping is available in the the Group's ESG report for 2021.

GENERAL MEETING

The general meeting for 2021 will be held on 21 April 2022.

SHAREHOLDER INFORMATION

In 2021, the Group's shares were traded between NOK 6.00 and NOK 10.40 per share. A total of 3,853,650 shares were traded. The closing price 31 December 2021 was NOK 9.05, which based on the 86,087,310 shares outstanding valued the Group's equity at approximately NOK 779.1 million.

As at 31 December 2021, GC Rieber Shipping had 971 shareholders (728). Of total shares, 94.8% was owned by the 20 largest shareholders. GC Rieber AS' stake was 76.8%.

The company had 47 foreign owners holding a total of 0.19% of the shares.

OUTLOOK

In 2020, GC Rieber Shipping made a strategic decision to become a shipowner and project-house with focus on developing profitable and sustainable maritime projects. The sale of Polar Onyx concluded this transformation. Following the sale, GC Rieber Shipping's remaining investments are JV-Ice/Support (50% ownership) and the marine geophysical company Shearwater (8.5% ownership).

Furthermore, GC Rieber Shipping is debt free after the sale of Polar Onyx and holds a significant investment capacity for new projects.

Both Polar Onyx and Polar Baikal were delivered to their new owners in February 2022. The Ice/Support market is stable with indications of favourable developments in niche segments, however, the ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. GC Rieber Shipping is monitoring the situation closely to comply with all sanctions.

GC Rieber Shipping's in-house project management department holds extensive expertise within naval architecture engineering and newbuilding project development and has a longstanding history of turning innovative projects into high-end vessel assets. Building on the company`s strong heritage of managing complex customer requirements and technologies, GC Rieber Shipping is uniquely positioned to develop tailor-made and innovative solutions for customers world-wide.

GC Rieber Shipping targets environmentally and economically sustainable project developments within niche segments and is ready to invest in new vessel solutions contributing to the energy shift.

RESPONSIBILITY STATEMENT

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 31 December 2021 has been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations determined by the International Accounting Standards Board and adopted by the EU effective as at 31 December 2021, and that the information gives a true and fair view of the Group's assets, liabilities, financial position and profit or loss as a whole, and a fair review of the information as stated in the Norwegian Securities Trading Act, § 5-6 fourth section. We also confirm, to the best of our knowledge, that the annual report includes a fair review of important events that have occurred in the accounting period and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the coming accounting period, and major related-parties' transactions.

Bergen 18 March 2022
The Board of Directors of GC Rieber Shipping ASA

Paul-Chr. Rieber Chairman	Morten Foros Krohnstad Vice Chairman	Birthe Cecilie Lepsøe Board Member
Pål Selvik Board Member	Ingrid von Streng Velken Board Member	Einar Ytredal CEO

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

Financial Statement GC Rieber Shipping ASA Group 2021

SHORTCUTS

Consolidated Income Statement

GC RIEBER SHIPPING GROUP

(NOK 1 000)	NOTE	2021	2020
OPERATING INCOME			
Charter income		0	0
Other shipping related operating income		2 452	4 923
Total operating income	5,6	2 452	4 923
OPERATING EXPENSES			
Vessel operating expenses		0	0
Crew and catering expenses		0	0
Administration expenses	7,16,17	-23 918	-29 632
Total operating expenses		-23 918	-29 632
Gain (loss) from share issues in associated company	4	186 712	31 068
Profit from joint ventures and associates	4	-35 518	14 522
Earnings before interests, taxes, depreciations and amortisations (EBITDA)		129 728	20 881
Depreciation	10,16	-1 744	-1 744
Impairment / reversal of impairment on fixed assets		0	0
Gains (losses) on sale of fixed assets		0	0
Net operating income (EBIT)		127 984	19 137
FINANCIAL INCOME AND EXPENSES			
Financial income	18	3 101	3 518
Financial expenses	16,18	-658	-781
Realised currency gains (losses)	18	2 414	9 354
Unrealised currency gains (losses)	18	6 193	-14 477
Net income before taxes		139 034	16 751
Taxes	8	0	0
Profit from continuing operations		139 034	16 751
Profit from discontinued operations		38 877	-512 089
Net income for the year		177 911	-495 338
Basic and diluted earnings per share	9	2,07	-5,75
Earnings and diluted earnings per share continuing operations	9	1,62	0,19

Consolidated Statement of Comprehensive Income

GC RIEBER SHIPPING GROUP

(NOK 1 000)	2021	2020
Net income for the year	177 911	-495 338
OTHER COMPREHENSIVE INCOME:		
Items that will not be reclassified to profit or loss		
Changes in pension estimates	-472	644
Tax effect changes in pension estimate	104	-142
Items that may be subsequently reclassified to profit or loss		
Foreign currency translation subsidiaries, joint ventures and associated companies - continued operations	14 113	-25 642
Foreign currency translation subsidiaries discontinued operations	14 172	55 270
Foreign currency translation associated companies continued operations recycled	-9 474	0
Foreign currency translation subsidiaries discontinued operations recycled	-155 245	0
Sum comprehensive income for the year	41 109	-465 20[illegible]

Consolidated Statement of Financial Position

GC RIEBER SHIPPING GROUP

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

(NOK 1 000)	NOTE	31.12.2021	31.12.2020
ASSETS			
FIXED ASSETS			
Rights, pantents etc.	10	4 999	0
Total intangible fixed assets		4 999	0
Vessels	10	0	899 240
Machinery and equipment	10	0	8 583
Right-of-use asset	16	2 590	4 316
Total tangible fixed assets		2 590	912 139
Investments in joint ventures and associates	4	187 840	910 252
Other financial fixed assets		440 301	0
Other long-term receivables		0	8 539
Total financial fixed assets		628 141	918 791
Total fixed assets		635 730	1 830 931
CURRENT ASSETS			
Trade receivables	11	859	29 942
Other current receivables	11	625	18 856
Total receivables		1 484	48 798
Cash and cash equivalents	12	482 698	240 430
Total current assets		484 182	289 228
Assets classified as held for sale		593 821	0
Total assets		1 713 733	2 120 159

(NOK 1 000)	NOTE	31.12.2021	31.12.2020
EQUITY AND LIABILITIES			
EQUITY			
Share capital (86,087,310 shares at NOK 1.80)	13, 17	154 957	154 957
Portfolio of own shares (54,500 shares at NOK 1.80)	13	0	-98
Share premium		286 510	286 510
Paid in capital		441 467	441 369
Other equity		771 755	836 236
Total retained earnings		771 755	836 236
Total equity		1 213 222	1 277 605
LIABILITIES			
Pension liabilities	15	6 902	6 607
Total provisions		6 902	6 607
Long-term debt	14,16	853	787 673
Total long-term debt		853	787 673
Current portion of long-term debt	14	0	20 212
Trade payables		2 882	20 742
Public duties payable		1 595	1 862
Other current liabilities	19,16	4 337	5 458
Total current liabilities		8 814	48 273
Total liabilities		16 569	842 553
Liabilities of assets classified as held for sale		483 942	0
Total equity and liabilities		1 713 733	2 120 159

Bergen 18 March 2022
The Board of Directors of GC Rieber Shipping ASA

Paul-Chr. Rieber Chairman	Morten Foros Krohnstad Vice Chairman	Birthe Cecilie Lepsøe Board Member	Pål Selvik Board Member	Ingrid von Streng Velken Board Member	Einar Ytredal CEO

Consolidated Cash Flow Statement

GC RIEBER SHIPPING GROUP

(NOK 1 000)	NOTE	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES			
Net income before taxes		139 034	16 751
Taxes paid		0	0
Depreciation	10	1 744	1 744
Gain on sale of shares in associates	4	-186 712	-31 068
Profit from joint ventures and associates	4	35 518	-14 522
Currency losses (gains)		-8 607	5 123
Change in consumables and spare parts		0	2 689
Change in short term receivables		47 314	2 496
Change in current liabilities		-18 127	4 382
Change in other current assets and other liabilities		2 952	-6 295
Net cash flow from discontinued operations		-16 576	87 372
Net cash flow from operating activities		-3 459	68 672
CASH FLOW FROM INVESTMENT ACTIVITIES			
Payments from investments in financial assets		10 493	35 298
Payments from sale of shares in associates		440 092	0
Transaction costs	10	-10 455	0
Net cash flow from discontinued operations		339 875	281 178
Net cash flow from investment activities		780 005	316 476
CASH FLOW FROM FINANCING ACTIVITIES			
Installment financial lease	16	-1 705	-1 851
Dividend payment	13	-105 887	0
Net cash flow from discontinued operations		-428 586	-343 093
Net cash flow from financing activities		-536 178	-344 944
Net cash flow from discontinued operations		-105 287	25 457
Net change cash and cash equivalents		240 368	40 204
Cash and cash equivalents at 01.01.		240 430	211 528
Reclassification from cash to long term receivables		0	-8 531
Currency gains (losses) on cash and cash equivalents		1 900	-2 770
Cash and cash equivalents at 31.12.	12	482 698	240 430

SHORTCUTS

Consolidated Statement of Changes in Equity

GC RIEBER SHIPPING GROUP

(NOK 1 000)	SHARE CAPITAL	OWN SHARES	SHARE PREMIUM	FOREIGN CURRENCY TRANSLATION	OTHER EQUITY	TOTAL EQUITY
2020						
Balance at 1 January 2020	154 957	-98	286 510	373 040	928 402	1 742 814
Net income for the year					-495 338	-495 338
Other comprehensive income				29 628	502	30 130
Total income and expense for the year				29 628	-494 837	-465 208
TRANSACTIONS WITH SHAREHOLDERS						
Dividends to the shareholders					0	0
Balance at 31 December 2020	154 957	-98	286 510	402 668	433 565	1 277 605
2021						
Balance at 1 January 2021	154 957	-98	286 510	402 668	433 565	1 277 605
Net income for the year					177 911	177 911
Other comprehensive income				-136 434	-368	-136 802
Total income and expense for the year				-136 434	177 543	41 109
TRANSACTIONS WITH SHAREHOLDERS						
Sale of own shares		98			298	396
Dividends to the shareholders					-105 887	-105 887
Balance at 31 December 2021	154 957	0	286 510	266 234	505 519	1 213 220

Notes to the Consolidated Financial Statements

GC RIEBER SHIPPING GROUP

NOTE 1 – Corporate information

GC Rieber Shipping is a shipowner and project-house with focus on developing profitable and sustainable maritime projects.

The company has its headquarter in Bergen, with an additional 50% owned ship management company in Yuzhno-Sakhalinsk (Russia). The company is listed on Oslo Børs with ticker RISH.

The financial statements were authorised for issue by the Board of Directors on 18 March 2022.

NOTE 2 – Accounting policies

2.1 PRINCIPAL ACCOUNTING POLICIES
The consolidated financial statements of the GC Rieber Shipping ASA group (the "Group"), including comparable figures, have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations, published by the International Accounting Standards Board and adopted by the EU, effective as at 31.12.2019.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of the following assets:

- *financial assets and financial liabilities (including financial derivatives) at fair value through profit or loss.*

The preparation of financial statements in conformity with IFRS requires the use of estimates (note 2.20). It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in notes.

2.2 CHANGES IN ACCOUNTING POLICIES
There were no changes in accounting principles in 2021.

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency NOK or USD). The consolidated financial statements are presented in NOK, which is the parent company's functional and presentation currency.

Transactions in foreign currency
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary items are translated at the current exchange rate, non-monetary items that are measured at historical cost are translated at the rate in effect on the original transaction date, and non-monetary items that are measured at fair value are translated at the exchange rate in effect at the time when the fair value was determined. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies to year-end exchange rates are recognised in the income statement.

Group companies
The results and financial position of the Group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

A. assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
B. income and expenses for each income statement are translated at average exchange rates
C. exchange differences are recognised in other comprehensive income and specified separately in equity

When a foreign subsidiary is disposed of the accumulated exchange, differences related to that subsidiary are recognised in the income statement.

2.4 CONSOLIDATION PRINCIPLES, JOINT VENTURES AND ASSOCIATED COMPANIES

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Business combinations are accounted for using the acquisition accounting method. Companies, which are acquired or sold during the period, are included in the consolidated financial statements from the point in time when the parent company acquires control or until control ceases.

Jointly controlled entities are entities over which the Group has joint control through a contractual agreement between the parties.

The Group's interests in joint ventures and associated companies are accounted for using the equity method.

When the Group's share of losses in a joint venture/associate exceeds its interests in the joint venture/associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture/associate), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture/associate.

The company accounts of jointly controlled entities have been prepared for the same accounting year as the parent company and with uniform accounting policies.

Intra-Group transactions and balances, including internal profits and unrealised gains and losses, are eliminated.

Unrealised gains from transactions with associated companies and jointly controlled entities are eliminated in the Group's share of the associated company/jointly controlled entity. Correspondingly, unrealised losses are eliminated, but only if there are no indications of any impairment in the value of the asset that is sold internally.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and the share of other comprehensive income is recognised in other comprehensive income and adjusts the carrying amount of the investments. When the Group's share of losses in associates equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Any loans to the associates are measured according to other financial assets of the same category.

The Group's share of unrealised gains on transactions between the Group and its associates is eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounts of the associates have been changed, if necessary, to align the accounting policies with those of the policies in the Group.

2.5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank deposits, cash in hand and short-term bank deposits with an original maturity of three months or less. In some cases, the Group also enters into contracts for short-term deposits with maturity exceeding three months. See note 14 for further details.

2.6 TRADE RECEIVABLES

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 - 45 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs such services to a customer before the customer pays consideration for the service, a contract is recognised for earned consideration.

Trade receivables are recognised at nominal value and impairment tests are performed to measure expected credit losses.

2.7 FIXED ASSETS

Intangible fixed assets

The Group's intangible fixed assets are development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group and are recognised as intangible assets where the following criteria are met:

- *it is technically feasible to complete the vessel design so that it will be available for use*
- *management intends to complete the vessel design and use or sell it*
- *there is an ability to use or sell the vessel design*
- *it can be demonstrated how the vessel design will generate probable future economic benefits*
- *adequate technical, financial and other resources to complete the development and to use or sell the vessel design are available, and*
- *the expenditure attributable to the vessel design its development can be reliably measured*

Directly attributable costs that are capitalised as part of the vessel design include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The Group amortises intangible assets with a limited useful life using the straight-line method over 3-5 years.

Tangible fixed assets
Components of fixed assets that represent a substantial portion of a vessel's total cost price are separated for depreciation purposes and are depreciated over their expected useful lives. The useful life is the period that the Group expects to use the vessel, and this period can thus be shorter than the economic life. If various components have approximately the same useful life and the same depreciation method as other components, the components are depreciated collectively.

For vessels, the straight-line method for ordinary depreciation is applied, based on an economic life of 25 years from the vessel was new. With reference to IAS 16, Property, Plant and Equipment, the Group uses estimated recoverable amount as residual value. In special circumstances the Group will consider an alternative depreciation horizon if the circumstances so indicate, such as the purchase and/or upgrading of older vessels.

Improvements and upgrading are capitalised and depreciated over the remaining economic life of the vessel. The straight-line method for ordinary depreciation based on a period of 2.5 to 5 years is applied for periodic maintenance. The straight-line method for ordinary depreciation based on a life of 3 to 10 years is applied for other depreciable assets.

The depreciation period and method are assessed annually to ensure that the method and period used are in accordance with the financial realities of the fixed asset. The same applies to the scrap value. The scrap value of the vessels is calculated by multiplying the steel weight of the vessel by the prevailing market price for steel at the balance sheet date.

Fixed assets are valued at acquisition cost less any accumulated depreciation and write-downs. When assets are sold or disposed of, the acquisition cost and accumulated depreciation are reversed in the accounts and any loss or gain on the disposal is recognised in the income statement.

Fixed assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Each vessel together with any associated contracts is considered as a separate CGU.

Write-downs recorded in previous periods are reversed when there is information indicating that the recoverable amount is higher than the carrying amount. The reversal is limited to an amount that will bring the asset's a carrying amount back to the book value it would have had using the original depreciation method.

The Group capitalises expenses incurred at the docking of the Group's vessels and amortises these expenses over the period until the next docking ("the capitalisation method").

Vessels under construction are classified as fixed assets and are recorded at the value of the incurred expenses related to the fixed asset. Vessels under construction are not depreciated until the vessel is placed in service.

Financial fixed assets

Financial instruments at level 1

Fair value of financial instruments that are traded in active markets is market price at the balance sheet date. A market is active if the market rate is easily and regularly available from a stock exchange, broker, industrial classification, pricing service or regulatory authorities and these prices represent actual and regularly occurring transactions at the arm's length principle. Market price used for financial assets is current bid price. These instruments are included at level 1. Instruments at level 1 comprise primarily quoted equity instruments classified as held for trading or available for sale.

Financial instruments at level 2

Fair value of financial instruments that are not traded in an active market (for instance some OTC-derivatives) is determined by use of valuation methods. These valuation methods maximise the use of observable data when available and are to the smallest extent possible based on the Group's own estimates. If all material data required to determine fair value of an instrument, are observable data, the instrument is included at level 2.

If one or several material data are not based on observable market data, the instrument is included at level 3.

Special valuation methods used to appreciate financial instruments include:

- *Quoted market price or offered price for corresponding instruments.*
- *Fair value of interest rate swaps is calculated as the present value of estimated future cash flow based on observable yield curve.*
- *Fair value of forward contracts in foreign currency is determined by the present value of the difference between agreed forward exchange rate and the forward exchange rate of the currency at the balance sheet date multiplied with the volume of the contract in foreign currency*

2.8 LEASES

The Group recognises all identifiable lease agreements as a lease liability and a corresponding right-of-use asset, with the following exemptions:

- *short-term leases (defined as 12 months or less)*
- *low value assets*

For these leases, the Group recognises the lease payments as other operating expenses in the statement of profit or loss when they incur.

The Group presents leased assets (right-of-use assets) as other fixed assets in the balance sheet. The rental amount is taken to revenue linearly over the lease period. Initial direct costs incurred in establishing the lease are included in the carrying amount of the leased asset and expensed during the lease period.

The right-of-use asset is initially measured at cost, comprising the amount of the initial measurement of the lease liability. The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses. Depreciations are according to IAS 16 Property, Plant and Equipment, except that the right-of-use asset is depreciated over the earlier of the lease term and the remaining useful life of the right-of-use asset. IAS 36 Impairment of Assets applies to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

The lease liability is initially measured at the present value of the lease payments for the right-to-use the underlying asset during the lease term. The lease term represents the noncancellable period of the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease liability, reducing the carrying amount to reflect the lease payments made and measuring the carrying amount to reflect any reassessment of lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

The Group presents lease liabilities as long-term debt and other current (first year instalments) in the balance sheet.

The interest effect of discounting the lease liability is presented separately from the depreciation charge for the right-of use asset. The depreciation expense is presented with other depreciations, whereas the interest effect of discounting is presented as a financial item.

For more information, see note 16 Right-of-use asset and lease liabilities.

2.9 FINANCIAL INSTRUMENTS

Classification

The Group classifies its financial assets in the following measurement categories in accordance with IFRS 9:

- *those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss), and*
- *those to be measured at amortised cost.*

The classification depends on the nature of the financial instrument, and the contractual cash flow characteristics of the instrument.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or as other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies any debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in financial income/ - expenses. Impairment losses are presented as a part of financial expenses.*
- *Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income*

and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in financial income/ - expenses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

- *Fair value through profit or loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within financial income/- expenses in the period in which it arises.*

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in financial income/- expenses in the statement of profit or loss as applicable. Impairment losses and reversal of impairment losses on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group on a forward-looking basis assesses the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Hedging

The Group has decided not to apply hedge accounting. Derivatives held for hedging purposes are measured at fair value through profit and loss in the financial statements.

2.10 PROVISIONS

Provisions are accounted for in accordance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets. Provisions are recognised when, and only when, the Group has an existing liability (legal or assumed) as a consequence of events which have taken place, it is probable (more likely than not) that a financial settlement will occur, and the amount can be measured reliably. Provisions are reviewed at each balance sheet date and they reflect the best estimate of the respective liabilities. When the time factor is insignificant, the size of the provisions will be equal to the size of the expense required for redemption from the obligation. When the time factor is significant, the provisions will be the net present value of future payments to cover the obligation. Increase in the provision due to the time factor is presented as interest expenses.

2.11 EQUITY AND LIABILITIES

Equity and Liabilities

Financial instruments are classified as liabilities or equity, in accordance with the underlying financial reality. Interest, dividends, gains and losses related to a financial instrument classified as a liability are presented as an expense or income. Distributions to the financial instrument's holders, whose financial instruments are classified as equity, are charged directly to equity.

Own shares

The nominal value of the Group's own shares is presented in the balance sheet as a negative equity element. The purchase price in excess of the nominal value is recognised in other equity. Losses or gains originating from transactions with the Group's own shares are not recorded in the income statement.

Other reserves

Reserve for translation differences

Translation differences arise in connection with currency exchange differences in the consolidation of foreign entities. Currency exchange differences with respect to monetary items (liabilities or receivables) that are in reality part of the Group's net investment in a foreign unit are treated as translation differences. Upon the disposal of a foreign entity, the accumulated translation difference related to that entity is reversed and recorded in the income statement in the same period that the gain or loss on the disposal is recorded.

2.12 REVENUE RECOGNITION

IFRS 15 «Revenues from contracts with customers» deals with revenue recognition. The standard requires the customer contract to be divided into the individual performance obligations. A performance obligation can be a commodity or a service. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service.

The Group has categorised the revenues into Bareboat revenue, Time Charter revenue and revenues from technical management activity.

Time Charter and Bareboat Contracts

The Group's main source of income is charter hire of vessels. The vessels are chartered to customers both by Bareboat and Time Charter agreements. A Bareboat charter is a lease of the vessel. The rental amount is recognised linearly over the lease period.

A Time Charter contract contains both a lease, by a right to use the vessel, and service components which can include operation and maintenance of the vessel (including crew). The service components will be within the scope of IFRS 15. The volume of services provided are usually stable throughout the leasing period, and revenue will therefore be recognised on a linear basis over the lease term.

On Time Charter contracts, the Group only recognises Time Charter revenue when the vessels are on-hire. When the vessels are off-hire the Group does not recognise any Time Charter revenues except if the contracts can be negotiated with layup rates and for periodical maintenance days in accordance with contract, on which revenue is recognised. Revenues from Time Charter activity is classified as charter income. The contract period starts when the vessels is made available to the customer and ends on agreed return date.

Additional services for vessels on Time Charter contracts can be agreements regarding meals and accommodation onboard the vessel for extra crew onboard the vessel (charterers crew). For such revenue, the Group has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date. This income is therefore recognised in the amounts to which the Group has the right to invoice, according to the practical expedient in IFRS 15. This revenue classifies as other operating income.

Management fee
Management fee for technical management, project management, building supervision and maritime operations of vessels for external owners is considered a service that is recognised over time.

This revenue is presented as other shipping related operating income.

Reimbursables
The Group is considered agent for reimbursable income such as sale of bunkers and fuel, the revenue is therefore presented net of the cost in the income statement.

Dividend income
Dividend income is recognised when the shareholders' right to receive dividends has been determined by the general meeting.

2.13 PENSIONS
The Group accounts for its pension schemes in accordance with IAS 19, Employee Benefits.

In 2021 the Group had both defined contribution plans and defined benefit plans.

A defined contribution plan is a pension plan under which the Group pays premiums to publicly or privately administered insurance plans for pensions on a mandatory, contractual or voluntary basis. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits related to the employee service in current and prior periods. The premium payments are recorded as payroll expenses as they fall due. Prepayments are recorded as an asset to the extent they can be refunded or will reduce future premium payments.

A pension scheme that does not meet the definition of a defined contribution plan is a defined benefit plan. The Group's obligation to the employees consists of an obligation to contribute pension payments of a certain amount. The pension plan describes how the pension is calculated. The salary at or just before retirement, as well as the employee's length of service in the Group, are factors that will normally influence the pension.

The plan assets in defined benefit plans are measured at fair value. The pension obligation and the pension costs are determined by use of a linear contribution calculation. A linear contribution calculation distributes the contribution of future pension benefits linearly over the contribution period and considers the earned pension rights of the employees during a period as the pension cost of the year.

The introduction of a new defined benefit plan or an improvement of the existing defined benefit plan will entail changes in the pension obligation. The change is recognised immediately in the comprehensive income. The introduction of new plans or changes of existing plans which take place with retroactive effect, implying that the employees have immediately earned a paid-up policy (or a change in paid-up policy), is immediately recognised in the income statement. Gains or losses related to downsizing, or the termination of pension plans are recognised in the income statement when they occur. Actuarial gains or losses are recognised in the comprehensive income.

The pension obligation is calculated based on the present value of future cash flows. The discount rate is equal to the interest rate on preference bonds. The calculations have been performed by a qualified actuary.

2.14 BORROWINGS

Loans are recognised at fair value, net of any transaction costs. Loans are subsequently accounted for at amortised cost through the use of the effective interest rate, where the difference between the net proceeds and redemption value is recognised in the income statement over the term of the loan.

Borrowing expenses are recognised in the income statement when they incur. General and specific borrowing costs that are directly attributable to the purchase, construction or production of a fixed asset are capitalised. Qualifying assets are assets that take a substantial period of time to finalise for their intended use or sale. The capitalisation of borrowing expenses occurs when interest expenses are incurred during the construction period of the fixed asset. Borrowing expenses are capitalised until the point in time when the fixed asset is ready for use. If the cost price exceeds the fair value of the fixed asset, an impairment loss is recognised.

2.15 TAXES

The tax expense consists of payable tax and change in deferred tax. Deferred tax /deferred tax assets are calculated based on the differences between the financial and tax values of assets and liabilities, with the exception of:

- *deferred tax that arises as a result of goodwill depreciation that is not tax deductible.*
- *temporary differences related to investments in subsidiaries, associated companies or joint ventures, where the Group determines when the temporary differences will be reversed, and this is not assumed to occur in the foreseeable future.*

Deferred tax assets are recorded in the accounts when it is probable that the Group will have sufficient taxable profit to benefit from the tax asset. On each balance sheet date, the Group will review unrecognised deferred tax assets and the carrying amount of such assets. The companies recognise prior unrecognised deferred tax assets in the accounts if it becomes probable that the Group can make use of the deferred tax asset. Correspondingly, the Group will reduce the deferred tax asset if the Group can no longer benefit from the deferred tax asset. Deferred tax and deferred tax assets are measured based on the tax rates and tax legislation that are adopted or principally adopted on the balance sheet date for entities in the Group where temporary differences have arisen. Deferred tax and deferred tax assets are recognised in the accounts regardless of when the differences will be reversed. Deferred tax assets are presented as a non-current asset in the balance sheet.

Tax payable and deferred tax relating to actuarial deviations are recognised in the statement of comprehensive income. The tax effect of particular items is presented on a separate line in the statement of comprehensive income. Tax payable and deferred tax/deferred tax asset are measured at the tax rate which relates to earned, not distributed equity. The tax effect of dividends is considered when the Group has undertaken an obligation to distribute dividends.

2.16 CLASSIFICATION OF ASSETS AND LIABILITIES IN THE BALANCE SHEET

Assets meant for permanent ownership or use and receivables which are due later than one year after the end of the accounting period are classified as fixed assets. Other assets are classified as current assets. Liabilities which are due later than one year after the end of the accounting period are classified as long-term liabilities. Other liabilities are classified as current liabilities. Next year's instalments on long-term debt are classified as current liabilities in the balance sheet.

2.17 OPERATING SEGMENTS

Entering 2021 the Group presented accounting figures for the business segments Subsea & Renewables and Joint Ventures & Associates. Indirect attributable costs were allocated to the operating segments when applicable. Following the sale of vessels in 2021 and 2022, the Subsea & Renewables segment is presented as discontinued operations. Financial information regarding the segments is presented in note 5.

2.18 CONTINGENT LIABILITIES AND ASSETS

Contingent liabilities are defined as:

- *possible liabilities resulting from prior events where the existence of the liability depends on future events.*
- *liabilities which have not been recognised because it is not probable that they will lead to payments.*
- *liabilities which cannot be measured with an adequate degree of reliability.*

Contingent liabilities are not recorded in the financial statements. Significant contingent liabilities are disclosed unless the probability of the liability occurring is low. A contingent asset is not recorded in the financial statements; but will be disclosed if there is a certain probability that the Group will benefit from it.

2.19 EVENTS AFTER THE BALANCE SHEET DATE

New information about the Group's position at the balance sheet date has been taken into account in the financial statements. Events occurring after the balance sheet date that do not affect the Group's position at the balance sheet date, but will affect the Group's position in the future, have been disclosed if material.

2.20 USE OF ESTIMATES, JUDGEMENTS AND ASSUMPTIONS IN THE PREPARATION OF THE FINANCIAL STATEMENTS

Management has used estimates and assumptions which have affected the assets, liabilities, income and expenses, as well as the disclosures regarding potential obligations. This particularly relates to deferred tax assets, provisions for liabilities and write-downs of fixed assets when there are indications of impairment. The estimates may change as a consequence of future events. The estimates and the underlying assumptions are reassessed continuously. Changes in accounting estimates are recognised in the income statement in the period the changes occur. If the changes also relate to future periods, the effect will be distributed over the present and future periods.

Vessels

As a general principle, the Group performs impairment testing in order to determine a vessel's value in the balance sheet. Impairment testing includes obtaining broker valuations from different reputable brokers and use of calculations or tests of reasonableness of implicit rates derived from the valuations. Implicit rates (including both average day-rate and utilisation) are derived from a discounted cash flow model, making assumptions about the level of operating expenses, periodic maintenance and discount rate. Assumptions about the level of operating expenses and periodic maintenance are based on experience data and future budget. The discount rate is set as a weighted average cost of capital (WACC), where the required rate of equity is determined using capital asset pricing model (CAPM). The beta value is based on an analysis of comparable companies. Management considers if the rates derived from the analysis is consistent with management's own market expectations.

For the two Subsea & Renewables vessels being owned by GC Rieber Shipping in 2021, the fair value has been set at the negotiated selling prices for the vessels.

See note 10 for more information.

Deferred tax assets

Deferred tax assets are recognised in the balance sheet when it is probable that the Group will have sufficient future taxable profit to benefit from the tax asset. If sufficient taxable profit should not be achieved for the Group, deferred tax assets cannot be utilised and carried amount has to be recognised as expense partly or in full. Deferred tax assets are recorded at nominal value in accordance with IAS 12. Based on budgets taking into account the Group's existing market, the Group does not expect to be able to utilise the deferred tax assets through taxable profits in the near future.

Provisions for liabilities

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that this will entail the payment or transfer of other assets to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

2.21 CASH FLOW STATEMENT

The Group's cash flow statement shows the Group's consolidated cash flows distributed between operating activities, investment activities and financing activities. The cash flow statement shows the impact of the different activities on the Group's cash and cash equivalents. The cash flow statement is presented based on the indirect method. The Group's cash and cash equivalents include securities (time deposits) as these financial instruments can be converted into cash immediately.

NOTE 3 – Group Companies

The consolidated financial statements consist of GC Rieber Shipping ASA and the following subsidiaries:

COMPANY	BUSINESS OFFICE	PARENT COMPANY	OWNER'S SHARE
GC Rieber Shipping AS	Norway	GC Rieber Shipping ASA	100%
Polar Ship Invest II AS	Norway	GC Rieber Shipping ASA	100%
Polar Ship Invest III AS	Norway	GC Rieber Shipping ASA	100%
Polar Shipping AS	Norway	GC Rieber Shipping ASA	100%
Polar Explorer AS	Norway	GC Rieber Shipping ASA	100%
Polarus AS	Norway	GC Rieber Shipping ASA	100%
GC Rieber Shipping BV	Netherlands	GC Rieber Shipping ASA	100%
Rieber Shipping AS	Norway	GC Rieber Shipping AS	100%
Polar Ship Invest AS	Norway	GC Rieber Shipping ASA	100%
Windkeeper Shipco I AS	Norway	Polar Ship Invest AS	100%
Windkeeper Shipco II AS	Norway	Polar Ship Invest AS	100%

NOTE 4 – Investments in Joint Ventures & Associates

As of 31.12.2021 the Group has the following investments in joint ventures & associates:

JOINT VENTURE / ASSOCIATED COMPANY	COUNTRY	BUSINESS	OWNER'S SHARE
Polar Pevek Ltd	Cyprus	Ice-breaker/tug	50%
OOO Polarus	Russia	Ice-breaker/tug/crew vessel	50%
OOO De Kastri Tugs	Russia	Ice-breaker/tug	50%
Shipworth Shipping Company Ltd	Cyprus	Crew vessel	50%

Joint venture – ice-breaker/tug and crew vessels

The Group has 50% ownership in the vessel Polar Pevek which operates as an ice-breaker/tug in Russia. The ownership and operation of the vessel is managed through two joint venture companies located in Cyprus and Russia respectively. The vessel has been on Time Charter for Exxon Neftegas Ltd. since 2006 and is firm until September 2023.

Furthermore, the Group has 50% ownership in the crew vessels Polar Piltun and Polar Baikal. The ownership and operation of the two vessels is managed through two joint venture companies located in Cyprus and Russia respectively. Polar Piltun has been on a long-term engagement with Sakhalin Energy Investment Company Ltd (SEIC) operating in the Sea of Okhotsk, Sakhalin in Russia. After completing the 2021-season Polar Piltun is currently idle. Polar Baikal was idle in 2021 and has been sold in the first quarter of 2022 to an undisclosed buyer. The sale will have limited accounting effects.

Combined cash holding of the ship-owning companies in Cyprus was USD 7.1 million (100%) as at 31.12.2021. The vessels located in Russia are valued at USD 31.2 million.

SHORTCUTS

The ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. GC Rieber Shipping is monitoring the situation closely to comply with all sanctions and will revert with further information if the contract status changes.

Below is a summary of the financial information of the joint ventures (100%) in USD 1000:

(USD 1000)	2021	2020
CONSOLIDATED BALANCE SHEET		
SHORT TERM ITEMS		
Cash and cash equivalents	10 671	10 350
Other current assets	2 281	4 415
Total current assets	12 952	14 765
Financial liabilities (ex. Trade payables)	0	-4 045
Other current liabilities (incl. Trade payables)	-1 057	-985
Total current liabilities	-1 057	-5 030
LONG-TERM ITEMS		
Assets	31 155	29 862
Total non-current liabilities	0	0
Net assets	43 050	39 597

(USD 1000)	2021	2020
CONSOLIDATED INCOME STATEMENT		
Operating income	14 349	17 885
Operating expenses	-4 302	-3 885
Depreciation	-3 854	-3 144
Financial income	0	8
Financial expenses	-160	-437
Result before tax	6 033	10 426
Tax	19	-189
Net income	6 052	10 238

Reconciliation between the condensed accounting information above and carrying share of joint ventures ice-breaker/tug and crew vessels:

(USD 1000)	2021	2020
Net assets 1 January	39 771	36 88[illegible]
Result for the period	6 052	10 23[illegible]
Dividends paid	-2 400	-7 35[illegible]
Net assets 31 December	43 423	39 77[illegible]
Current exchange rate at the balance sheet date	8,82	8,5[illegible]
Net assets 31 December at the exchange rate on the balance sheet date (NOK 1000)	382 962	339 34[illegible]
Owner share 50% (NOK 1000)	191 481	169 67[illegible]
Group items (NOK 1000)	-3 641	-2[illegible]
Carrying amount (NOK 1000)	187 840	169 65[illegible]

Associated Company – Marine Seismic (Shearwater Geoservices Holding AS, until July 2021)

Until July 2021, GC Rieber Shipping's investment in Shearwater Geoservices Holding AS (Shearwater) was reported as an associated company.

Shearwater operates as a global, customer-focused and technology-driven provider of marine geophysical services. Shearwater owns and operates a large fleet of seismic acquisition vessels, offering a full range of acquisition services including 3D, 4D and ocean bottom seismic. The company also has a portfolio of proprietary streamer technology and processing software enabling effective execution of geophysical surveys and delivery of high-quality data. The company has approximately 800 employees and operates in all major offshore basins across the world. This makes Shearwater a leading global and technology-driven full-service provider of marine geophysical services, able to deliver exceptional customer solutions.

In April 2021 Shearwater, at the time 17% owned by GC Rieber Shipping, announced two transactions where Shearwater took over marine seismic acquisition assets previously owned by Polarcus, from Tiger Moth AS, a company affiliated with Woodstreet Inc.. Shearwater acquired the streamers and related seismic equipment for a total cash consideration of USD 50 million. The company further purchased the six seismic acquisition vessels for a total consideration of USD 127.5 million. The transactions were financed through a new vessel loan facility provided by DNB and GIEK of USD 107.5 million and a convertible loan from Rasmussengruppen AS in the amount of USD 85 million. USD 15 million of the convertible loan was available for general corporate purposes.

On 9 July 2021, GC Rieber Shipping sold shares in Shearwater Geoservices Holding AS (Shearwater) reducing its ownership from 17.0% to 8.5%. Due to the reduced ownership and GC Rieber Shipping no longer being part of the shareholder agreement, the investment will from July 2021 not be reported in the income statement under «Profit from joint ventures and associates», but as a financial fixed asset at fair value.

Gain from the sale of shares in July 2021 was NOK 186.7 million, including value adjustment of the remaining shareholding and recycling of foreign currency translation differences:

FIGURES IN NOK MILLION	
Gain from the sale of shares	83,5
Value adjustment of remaining 8.5% ownership	93,8
Recycling of foreign currency translation differences	9,4
Total effect on consolidated income statement - sale of shares	**186,7**

For information about Shearwater after July 2021, see note 10 under financial fixed assets.

Significant events for the financial year 2020:

In January 2020, Shearwater completed a strategic vessel transaction with CGG S.A. ("CGG"), including the takeover of five high-end seismic vessels. Furthermore, a five-year capacity agreement for marine seismic acquisition services between Shearwater and CGG became effective. The transaction included five streamer vessels and two legacy vessels, previously owned by CGG Marine Resources Norge AS and Eidesvik Offshore ASA, five complete streamer sets previously owned by CGG and a long-term capacity agreement granting Shearwater a guaranteed cash flow and activity level for a period of five years. The capacity agreement included a minimum commitment of two vessel-years annually over the agreed five-year period. Following the transaction, GC Rieber Shipping's ownership in Shearwater was reduced from 20% to approximately 19% and GC Rieber Shipping booked a non-cash gain of NOK 52.6 million in the first quarter of 2020.

In December 2020, Shearwater signed new debt and guarantee facilities totalling USD 437 million with its lenders. The new facilities had two- and four-years maturities. They replaced approximately USD 500 million of debt under the old structure, effectively refinancing all corporate facilities except for the net liabilities assumed as part of the acquisition of the CGG vessels in January 2020. As part of the refinancing, Shearwater's existing shareholders

SHORTCUTS

contributed with USD 25 million of new equity. GC Rieber Shipping did not participate in the share issue.

Furthermore, in December 2020 Shearwater and CGG jointly agreed to suspend the negotiations of a planned marine streamer technology partnership announced in January 2020. The parties jointly agreed to settle a vendor note related to the transaction by issuing new Shearwater shares to CGG in accordance with the agreement signed in January 2020. GC Rieber Shipping booked a non-cash loss of NOK 21.6 million as a result of the two share issues in December 2020, and the ownership in Shearwater was reduced from 19% to 17%.

Below is a summary of the financial information of the associated company (100%):

(USD 1000)	2021*)
CONSOLIDATED INCOME STATEMENT	
Operating income	231 117
Operating expenses	-185 002
Depreciation and write-down	-64 766
Financial income	1 669
Financial expenses	-24 234
Result before tax	-41 216
Tax	-409
Net income	-41 625

*) For the period from 01.01.2021 – 09.07.2021.

(USD 1000)	2020
CONSOLIDATED BALANCE SHEET	
SHORT TERM ITEMS	
Cash and cash equivalents	95 332
Other current assets	108 035
Total current assets	203 367
Financial liabilities (ex. Trade payables)	-54 478
Other current liabilities (incl. Trade payables)	-54 167
Total current liabilities	-108 645
LONG-TERM ITEMS	
Assets	1 033 951
Financial liabilities	-610 195
Other liabilities	-8 889
Total non-current liabilities	-619 084
Net assets	509 589
CONSOLIDATED INCOME STATEMENT	
Operating income	589 725
Operating expenses	-429 050
Depreciation and write-down	-155 510
Financial income	44 842
Financial expenses	-60 508
Result before tax	-10 510
Tax	-1 167
Net income	-11 677

USD (1000)	2020
Net assets 1 January	434 702
Result for the period	0
Result not recognised in previous years	-2 622
Capital increase	89 185
Shares subscription	0
Net assets 31 December	**521 265**
Current exchange rate at the balance sheet date	8.53
Net assets 31 December at the exchange rate on the balance sheet date (NOK 1000)	4 348 111
Owner share 17% (NOK 1000)	740 602
Group items (NOK 1000)	0
Carrying amount (NOK 1000)	**740 602**

NOTE 5 – Segment information

The Group's management team, as presented on the Group's website, examines the Group's performance from a product perspective when defining operating segments. The management team has defined two operating segments: Subsea & Renewables and Joint Ventures and Associated Company. Joint Ventures and Associated Company consists of the market segments Ice/Support and Marine Seismic.

In December 2021, GC Rieber Shipping entered into an agreement to sell the SURF/construction vessel Polar Onyx. The vessel was delivered to the new owners 17 February 2022. Since Polar Onyx was the last owned vessel within the Subsea & Renewables segment, the segment is reported as discontinued operations as at 31.12.2021.

The geographic perspective is not a focal point in the internal management reporting for either of the segments.

The segments are considered to have different operational and financial risk profiles. Any transactions between the segments are carried out at arm's length and eliminated in the consolidated financial statements.

Joint Ventures & Associates

The Ice/Support-vessels owned through 50/50 joint ventures and operating in Russia are presented as joint ventures in the segment report.

The investment in Shearwater Geoservices Holding AS, previously reported as an associated company, is reported as a financial fixed asset from July 2021. See note 4 and 10 for further details.

SHORTCUTS

Segment information:

(NOK 1000)	OTHER	JOINT VENTURES & ASSOCIATES	TOTAL CONTINUING OPERATIONS	DISCONTINUED SUBSEA & RENEWABLES*
2021				
FROM THE INCOME STATEMENT				
Operating income	2 452	0	2 452	81 532
Gain (loss) from sale of share issues in associated company (see note 4)	0	186 712	186 712	0
Loss from associated company (see note 4)	0	-61 712	-61 712	0
Profit from joint venture (see note 4)	0	26 194	26 194	0
Operating profit before depreciation, write-down and gain (loss) on sale of fixed assets	-21 466	151 194	129 728	-20 890
Depreciation	-1 744	0	-1 744	-53 589
Write downs	0	0	0	-31 850
Profit from disposal of fixed assets	0	0	0	176 224
Net operating income	-23 210	151 194	127 984	69 896
FROM THE BALANCE SHEET				
Vessels, machinery and equipment	0	0	0	585 31[illegible]
Debt to credit institutions	0	0	0	419 21[illegible]
FROM THE CASH FLOW STATEMENT				
Operating profit before depreciation, write-down, and gain (loss) on sale of fixed assets	-21 466	151 194	129 728	-20 890
Repayment of long-term loans	0	0	0	-409 84[illegible]
Sale of fixed assets	0	0	0	339 87[illegible]
Investments	0	0	0	0
Other investing activities	253 582	10 493	264 075	[illegible]
Interest paid	0	0	0	-18 744
Dividend	-105 887	0	-105 887	0
Other changes	78 628	0	78 628	-16 576
Net change in cash and cash equivalents	204 857	161 687	366 544	-126 177

SHORTCUTS

(NOK 1000)	OTHER	JOINT VENTURES & ASSOCIATES	TOTAL CONTINUING OPERATIONS	DISCONTINUED SUBSEA & RENEWABLES*
2020				
FROM THE INCOME STATEMENT				
Operating income	4 923	0	4 923	228 757
Gain (loss) from sale of share issues in associated company (see note 4)	0	31 068	31 068	0
Loss from associated company (see note 4)	0	-33 869	-33 869	0
Profit from joint venture (see note 4)	0	48 391	48 391	0
Operating profit before depreciation, write-down and gain (loss) on sale of fixed assets	-24 709	45 590	20 881	80 008
Depreciation	-733	0	-733	-104 119
Write downs	0	0	0	-459 085
Profit from disposal of fixed assets	0	0	0	0
Net operating income	-25 442	45 590	20 148	-483 196
FROM THE BALANCE SHEET				
Vessels				899 24[illegible]
Debt to credit institutions				807 88[illegible]
FROM THE CASH FLOW STATEMENT				
Operating profit before depreciation, write-down, and gain (loss) on sale of fixed assets	-24 709	45 590	20 881	80 00[illegible]
Repayment of long-term loans	0	0	0	-301 88[illegible]
Sale of fixed assets	0	0	0	281 19[illegible]
Investments	0	0	0	-1[illegible]
Other investing activities	0		0	[illegible]
Interest paid	0	0	0	-42 72[illegible]
Other changes	5 921	0	5 921	[illegible]
Net change in cash and cash equivalents	-18 788	45 590	26 802	16 57[illegible]

*) Up until October 2020, the Subsea & Renewables segment also included external ship management income and corresponding costs for providing ship management services

NOTE 6 – Operating Income

(NOK 1000)	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS SUBSEA & RENEWABLES*
2021		
TC hire	0	75 735
BB hire	0	0
Mangement fee	0	0
Misc revenues	2 452	5 798
Revenue from external customers	2 452	81 533
TIME OF REVENUE RECOGNITION		
At a point in time	0	0
Over time	2 452	81 533
In total	2 452	81 533

(NOK 1000)	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS SUBSEA & RENEWABLES*
2020		
TC hire	0	201 699
BB hire	0	0
Mangement fee	0	9 819
Misc revenues	4 923	17 238
Revenue from external customers	4 923	228 756
TIME OF REVENUE RECOGNITION		
At a point in time	0	0
Over time	4 923	228 756
In total	4 923	228 756

*) Up until October 2020, the Subsea & Renewables segment also included external ship management income and corresponding costs for providing ship management services

Discontinued operations

Until March 2021 the Group owned and operated two vessels within the Subsea & Renewables segment: Polar Queen and Polar Onyx. Polar Queen was sold in March 2021. Furthermore, in December 2021, GC Rieber Shipping entered into an agreement to sell the SURF/construction vessel Polar Onyx. The vessel was delivered to the new owners 17 February 2022. Following the sale of Polar Onyx, GC Rieber Shipping no longer own or operate vessels within the Subsea & Renewables market and the Subsea and Renewables segment is considered as discontinued operations.

The Group has categorised the revenues into Time Charter revenue, Bareboat revenue and up until October 2020 revenues from technical management activity.

The Group's main source of income has been charter hire of vessels. The vessels are chartered to customers both by Bareboat and Time Charter agreements.

BB hire (Bareboat hire) is revenue for lease of a vessel. Bareboat revenue will be recognised on a linear basis over the lease term.

TC hire (Time Charter hire) is revenue where the Group is to deliver vessels, equipment, and crew as a service to the customer based on a fixed fee/day rate. A Time Charter contract can be divided into a Bareboat element which is lease of vessel and a service component which can include operation and maintenance of vessel (including crew). The service component will be within the scope of IFRS 15. The volume of services provided are usually stable throughout the leasing period, and revenue will therefore be recognised on a linear basis over the lease term.

Out of total income in 2021, the Bareboat element was approximately NOK 14 million. Remaining income qualifies as IFRS 15 income.

Technical management fee was service fee for technical support and operation of 3rd party vessels.

SHORTCUTS

Miscellaneous revenues are additional services provided in connection with for example Time Charter contracts. Terms of payment in contracts with customers are from 30-45 days depending on contract.

Geographical information:

	2021		2020	
(NOK 1000)	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS
Norway	1 694	165	4 110	62 769
Great Britain	0	0	0	65 279
Netherlands	0	33 009	0	11 056
Other European countries	758	3 099	813	0
Africa	0	45 260	0	89 652
In total	2 452	81 533	4 923	228 756

The allocation of the operating income above is based on the country in which the customer is located.

All income related to the Subsea & Renewables segment is presented as discontinued in table above.

Fixed assets
Book value of vessels and other equipment geographically belongs to Norwegian companies. All fixed assets are per year-end 2021 presented as discontinued assets in the Consolidated Balance Sheet.

NOTE 7 – Payrole expenses, number of employees, remunerations etc.

Payroll expenses include wages to employees in the administration.

(NOK 1000)	2021	2020
Payroll office workers	13 573	12 167
Payroll tax	2 104	1 631
Pension costs	982	739
Other remunerations	50	258
Total payroll expenses	16 709	14 795

The Group has employer liability for the following number of employees:

	2021	2020
Office workers	9	8

The payroll expenses are included in the Group's administration expenses. For further specification see note 3 in GC Rieber Shipping ASA's financial statement of 2021.

Remuneration for Group management and Board of Directors:

(NOK 1000)	2021	2020
Wages	7 391	9 704
Other remunerations	51	108
Pension premium	732	792
Total Group management remunerations	8 174	10 604
Fees and remunerations for Board of Directors GC Rieber Shipping ASA	1 117	963
Total remunerations for the Board members of the Group	1 117	963

SHORTCUTS

The Group's CEO is not employed in the company GC Rieber Shipping ASA, but has been contracted from the subsidiary GC Rieber Shipping AS. No agreements have been entered into with the Chairman of the Board with regard to special payments upon the termination or change of the Board position. Further, no agreements exist that grant employees or representatives entitlement to subscribe for or purchase or sell shares in the company.

(NOK 1000)	2021	2020
AUDIT FEE EXL VAT		
Audit fee	617	700
Tax consulting	39	749
Other services	79	6
Total auditor's fees	735	1 455

Discontinued operations

Payroll expenses for discontinued operations also include wages for employees in the administration that are considered to be part of the discontinued operations:

(NOK 1000)	2020
Payroll crew	74 431
Payroll office workers	15 898
Payroll tax	2 040
Pension costs	721
Total payroll expenses - discontinued operations	93 090

The wage costs are included in the line discontinued operations in the income statement.

NOTE 8 – Taxes

(NOK 1000)	2021	2020
INCOME TAX EXPENCE		
TAXES IN INCOME STATEMENT		
Tax payable in Norway	-123	161
Change in tax from previous periods	0	0
Change in deferred tax	0	0
Income tax expense (income)	-123	161
RECONCILIATION OF INCOME TAX EXPENSE OF THE YEAR		
Net income before taxes	177 788	-495 178
Nominal rate	22%	22%
Estimated tax based on nominal rate	39 113	-108 939
Effect of tonnage tax regime/tax payable outside Norway	22 359	109 663
Deferred tax asset not recognised in the balance sheet	-61 314	79
Permanent differences	-281	-646
Other/correction of tax payable in previous periods	0	0
Income tax expense (income)	-123	161
DEFERRED TAX		
Capital gains	0	14
Other differences	-15 488	-11 961
Financial instruments	0	0
Net financial items for companies in the tonnage tax regime	74	-5 974
Pension liabilities	-6 902	-6 606
Tax losses carried forward	-1 050 806	-981 651
Basis for calculation of deferred tax	-1 073 122	-1 006 178
Tax rate	22%	22%
Calculated deferred tax liabilities/assets in the balance sheet	-236 087	-221 359
Deferred tax assets not recognised in the balance sheet	236 087	221 359
Deferred tax liabilities/assets in the balance sheet	0	0

At 31.12.2021, deferred tax assets not recognised amount to NOK 236.0 million, whereof NOK 223.4 million relates to companies that are not subject to the tonnage tax regime.

By end of 2021 the Group had tax losses carried forward of NOK 1,050.8 million in Norway, whereof none was basis for capitalisation. The disclosure of deferred tax benefits on net tax reducing differences and carry forward losses, is based on estimated future earnings. From budgets based on the Group's existing market, the Group does not expect to be able to utilise the deferred tax assets through taxable profits in the near future.

NOTE 9 – Earnings per share

Earnings per share is calculated by dividing the net income for the year attributable to ordinary shares by the weighted average number of ordinary shares outstanding during the accounting period. The Group has no convertible loans or equity instruments and the diluted earnings per share is thus equal to earnings per share.

The company sold its 54,500 own shares (0.06% of the shares in the company) to employees in September 2021 and holds no own shares as at 31 December 2021.

	2021	2020
Net income for the year (NOK 1000)	177 911	-495 338
Net income for the year, continuing operations (NOK 1000)	139 034	16 751
Time weighted average number of shares applied in the calculation of earnings per share	86 048 936	86 032 810
Number of outstanding shares as at 31.12.	86 087 310	86 032 810
Basic and diluted earnings per share (NOK)	2,07	-5,76
Basic and diluted earnings per share continuing operations (NOK)	1,62	0,19

NOTE 10 – Fixed assets

Intangible fixed assets

(NOK 1000)	31.12.2021	31.12.2020
Development	4 999	0
Total rights, patents etc.	4 999	0

As at 31.12.21 GC Rieber Shipping has booked NOK 5.0 million in research and development, related to new ship designs.

Tangible fixed assets

(NOK 1000)	2021	2020
VESSEL AND MARINE EQUIPMENT		
Acquisition cost as at 01.01	1 930 073	2 716 165
+ Additions during the year	0	0
+ Additions during the year for periodic maintenance	0	0
- Disposals during the year	-709 423	-744 824
+ Changes in translation differences during the year	43 836	-41 268
= Acquisition cost as at 31.12.	1 264 486	1 930 073
Accumulated depreciation and impairment at 01.01.	1 030 832	1 026 924
+ Depreciation for the year	39 968	87 14[illegible]
+ Depreciation of periodic maintenance for the year	7 062	9 10[illegible]
+ Net impairment / reversal of impairment during the year	31 850	459 086
- Disposals during the year	-451 311	-463 38[illegible]
+ Changes in translation differences during the year	22 489	-88 04[illegible]
= Accumulated depreciation and impairment at 31.12.	680 890	1 030 832
Carrying amount as at 31.12.	583 595	899 240
Of which discontinued operations	583 595	0
Carrying value as at 31.12. of continuing operations	0	899 240
Depreciation for the year discontinuing operations	47 030	0
Impairment during the year discontinuing operations	31 850	0

The vessels have carrying amount in USD, which are converted to NOK by using the exchange rate on the balance sheet date in the consolidated financial statements. Changes in the exchange rate USD/NOK result in translation differences, which are recognised in the comprehensive income. Accumulated exchange translations are included in the amounts above.

The vessel Polar Queen was sold in March 2021. Gain from the sale of Polar Queen was NOK 21.0 million. Sale of vessel triggered the recycling of foreign transaction differences of NOK 155.2 million. Recycling of foreign currency transaction differences do not have cash effect and are presented as discontinued operations in the income statement.

In December 2021, GC Rieber Shipping entered into an agreement to sell the vessel Polar Onyx. The buyer was the offshore wind service conglomerate Dong Fang Offshore Co., Ltd, and Hung Hua Construction Co., Ltd. The vessel was delivered to the new owner 17 February 2022. Both vessel and equipment are considered to be part of discontinued operations, see note 24 for more information.

Depreciation rates of 4% to 12.5% have been applied for vessels and 6.67% to 33.33% have been applied for marine equipment. Capitalised periodic maintenance per 31.12.2021 amounts to NOK 7.7 million. (2020: NOK 13.5 million).

The net impairment of NOK 31.8 million in 2021 reflects the negotiated selling prices of Polar Queen and Polar Onyx. For 2020, total impairment of Subsea & Renewables asset values was NOK 459.1 million, representing the significant industry uncertainties due to the Covid-19 outbreak and volatile oil price.

(NOK 1000)	2021	2020
MACHINERY, INVENTORY, AND EQUIPMENT		
Acquisition cost 01.01.	60 194	60 177
+ Additions during the year	0	17
= Acquisition cost as at 31.12	60 194	60 194
Accumulated depreciation as at 01.01.	51 611	44 741
+ Depreciation for the year	6 870	6 870
+ Impairment during the year	0	0
= Accumulated depreciation and write down as at 31.12.	58 481	51 611
Carrying value as at 31.12.	1 713	8 582
Where of discontinued operations	1 713	0
Carrying value as at 31.12. of continuing operations	0	8 582

Machinery, inventory and equipment per year-end 2021 is presented as discontinuing assets in the Consolidated balance sheet.

Financial fixed assets
On 9 July 2021, GC Rieber Shipping sold shares in Shearwater Geoservices Holding AS (Shearwater) reducing its ownership from 17.0% to 8.5%. Due to the reduced ownership and GC Rieber Shipping no longer being part of the shareholder agreement, the investment previously reported in the income statement under «Profit from joint ventures and associates» is now reported as a financial fixed asset at fair value. See note 4 and 5 for further information.

Shearwater operates as a global, customer-focused and technology-driven provider of marine geophysical services. Shearwater owns and operates a large fleet of seismic acquisition vessels, offering a full range of acquisition services including 3D, 4D and ocean bottom seismic. The company also has a portfolio of proprietary streamer technology and processing software enabling effective execution of geophysical surveys and delivery of high-quality data. The company has approximately 800 employees and operates in all major offshore basins across the world. This makes Shearwater a leading global and

SHORTCUTS

technology-driven full-service provider of marine geophysical services, able to deliver exceptional customer solutions.

The shares in Shearwater are booked as financial assets at fair value according to the valuation methods described in note 2.7. When considering the fair value as at 31.12.2021, GC Rieber Shipping has assessed external valuations of Shearwater and market outlook, against the price per share in the last transaction in the share which was the sale of 4 997 711 shares by GC Rieber Shipping 9 July 2021. The sale was negotiated by knowledgeable, independent parties. Based on the assessment, the price per share in the last significant transaction in the share is considered to represent an appropriate estimate of the fair value of Shearwater as at 31.12.2021. External valuations substantiate GC Rieber Shipping's valuation as at 31.12.2021.

(NOK 1000)	31.12.2021	31.12.2020
Financial assets at fair value	440 301	0
Total financial fixed assets	**440 301**	**0**

NOTE 11 – Trade receivables and other current receivables

(NOK 1000)	2021	2020
TRADE RECEIVABLES AND OTHER RECEIVABLES		
TRADE RECEIVABLES		
Trade receivables gross	859	40 866
Provision for bad debt	0	-10 924
Trade receivables net	859	29 942
OTHER RECEIVABLES		
Prepaid expenses	625	9 920
Prepayment to Ship Manager	0	8 485
Re-invoiced expenses	0	451
Total other receivables	625	18 856
Total current receivables	1 484	48 798
Ageing profile trade receivables, not impaired at the end of the reporting period		
Receivables, not due	325	22 35[illegible]
Receivables, due by 1-30 days	0	3 584
Receivables, due by 31-60 days	0	4 028
Receivables, due by 61-120 days	0	7 57[illegible]
Receivables, due by > 120 days	534	3 32[illegible]
Total	859	40 866
Provison for bad debt trade receivables		
Provision for bad debts 01.01	-10 924	-1 82[illegible]
Provision made during the year	0	-10 924
Losses realised	10 924	1 82[illegible]
Provision for bad debts 31.12	**0**	**-10 924**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 - 45 days and therefore are all classified as current. For more information

see note 2.6 Trade receivables.

Loss on trade receivables have been classified as operating expenses vessels in the income statement.

Regarding credit risk the Group aims to have a diversified contract portfolio. The Group endeavours to ensure that vessel contracts are only entered into with customers who have good payment ability and payment history, and the development in the market is closely monitored. In particular, this applies for contracts beyond a certain duration.

Of trade receivables 31.12.2021, none are still outstanding at the time the financial statement is signed.

Expected losses not accounted for are considered to be immaterial as at 31.12.2021.

Discontinued operations:

For more information, please see note 24.

NOTE 12 – Cash and cash equivalents

(NOK 1000)	2021	2020
BANK DEPOSITS AND CASH		
Bank deposits and cash	482 042	239 546
Tax withholdings	656	884
Bank deposits and cash	**482 698**	**240 430**

Bank deposits generate interest income based on the banks' prevailing terms at any given time.

NOTE 13 – Equity

	31.12.2021	31.12.2020
Ordinary shares		
Par value per share	1,80	1,80
Number of shares	86 087 310	86 087 310
Share capital (NOK 1000)	154 957	154 957

GC Rieber Shipping ASA's shares are listed on Oslo Børs with the ticker RISH. The total number of shares is 86 087 310.

OWN SHARES

The company sold its 54,500 own shares (0.06% of the shares in the company) to employees in September 2021, and holds no own shares as at 31 December 2021.

DIVIDENDS

Following GC Rieber Shipping's significantly strengthened financial position in 2021, GC Rieber Shipping and its lenders agreed to restore the provisions of the original credit facility agreement and reversed material changes introduced throughout the restructuring period. Specifically, investment and dividend restrictions were removed, and scheduled amortisation with full instalments restored. See note 14 for further details.

23 September 2021, an extraordinary general meeting approved an additional dividend of NOK 1.23 per share on the basis of the company's annual accounts for 2020. The additional dividend, a total of NOK 105.9 million, was paid to the shareholders 5 October 2021.

For the year ended 31.12.2021, the Board has proposed a dividend of NOK 0.50 per share, a total of NOK 43.0 million.

SHORTCUTS

NOTE 14 – Debt to credit institutions

Entering 2021, the Group had two Subsea & Renewables credit facilities. One was repaid in full in March 2021 following the sale of the vessel Polar Queen, and the other was repaid in full in February 2022 following the sale of the vessel Polar Onyx announced in December 2021.

As of February 2022 the Group is debt free.

Since Polar Onyx was the last owned vessel within the Subsea & Renewables segment, the segment was considered as discontinued operations as at 31.12.2021, and the debt presented as liabilities of discontinued operations in the balance sheet as at 31.12.2021.

(NOK 1000)		AVERAGE INTEREST RATE 2021	AVERAGE MATURITY	BALANCE SHEET 2021	BALANCE SHEET 2020	INTEREST PAYMENT 2021	INTEREST PAYMENT 2020
Mortgage debt with floating interest	Secured	USD LIBOR + 1.95%		0	264 307	0	23 604
Mortgage debt with fixed interest	Secured	USD CIRR 2.43 % + 1.6%		0	542 094	0	19 118
Amortisation effect, mortgage debt				0	-1 198	0	[illegible]
Mortage debt discontinued operations	Secured	USD CIRR 2.43 % + 1.6%	2 months	419 216	0	18 744	0
Total				419 216	805 203	18 744	42 722

There were several amendments to the credit facilities through 2021, and in the past four-year period:

In March 2018 GC Rieber Shipping negotiated better terms and certain amendments to the two credit facilities. The new terms and amendments included the following main elements;

- *Amortisation: 80% reduction in amortisations until 31 December 2020 (compared to original amortisation schedule)*
- *Final maturity date: 31 December 2022*
- *Cash sweep: Aggregate average consolidated cash in the Group during the six months prior to the sweep date in excess of the following threshold amounts;*
  - *NOK 150 million in 2019*
  - *NOK 120 million in 2020 and onwards*

  First cash sweep at 15 June 2019 and semi-annually thereafter
- *Interest rates: No amendments*
- *Financial covenants:*
  - *Minimum free liquidity of NOK 40 million until 31 December 2021, NOK 50 million thereafter*
  - *Loan to value: 110% until 31 December 2020*
- *Change of control: If GC Rieber AS controlled less than 50.1% of the Shares and votes in the Group or someone other than GC Rieber AS gains negative control in the Group.*

No dividend payments or other distributions from the Group could be made without the prior consent of the banks. However, the Group's lenders consented to the following: 24% of potential dividends from the shares of Shearwater Geoservices Holding AS or 24% of potential proceeds from the sale of such shares in whole or in part, could be redistributed to the shareholders of the Group by way of dividends, a share capital reduction or any other manner deemed appropriate by the Group.

Investments were limited to scheduled CAPEX and ordinary repairs related to the Subsea & Renewables vessels in the ordinary course of operation.

In August 2020, GC Rieber Shipping sold the vessel Polar King, and the vessels debt was repaid in full.

In September 2020, as a result of the challenging market conditions in 2020 with Covid-19 and highly volatile oil price, GC Rieber Shipping received further amendments to the two credit facilities. The new amendments included the following main changes with effect through 2021;

- *Prolonging the 80% reduction of scheduled amortisation*
- *Reducing the minimum equity ratio from 30% to 25%*
- *Suspending the minimum vessel value clauses*

Payment of the third- and fourth quarter instalments for 2020 was suspended until the final maturity date, provided that the same amounts were deposited to an escrow account. As of 31 December 2020, the amount was USD 1.0 million.

The lenders also granted waiver for the cash sweep mechanism in the second half of 2020, with the next cash sweep being in June 2021.

In March 2021, GC Rieber Shipping sold the vessel Polar Queen and repaid the vessel's debt in full. At the same time GC Rieber Shipping received further amendments to its remaining Subsea & Renewables credit facility related to the vessel Polar Onyx, prolonging the 80% reduction of scheduled amortisation and suspending the cash sweep mechanism until final maturity in December 2022. In consideration of the amendments, GC Rieber Shipping made a loan prepayment of NOK 69 million. The prepayment replaced the cash sweep payment scheduled for June 2021 of approx. NOK 46 million.

SHORTCUTS

In September 2021, following GC Rieber Shipping's significantly strengthened financial position through 2021, GC Rieber Shipping and its lenders agreed to restore the provisions of the original credit facility agreement and reversed material changes introduced throughout the restructuring period. Specifically, investment and dividend restrictions were removed, and scheduled amortisation with full instalments restored, applicable as at 31.12.2021

The Group was in compliance with the financial covenants throughout 2021.

The Group's long-term liabilities are exclusively denominated in USD and have been converted to NOK using the exchange rate at the balance sheet date.

Following the sale of Polar Onyx in February 2022 the Group is debt free.

The Group's net debt at 31.12.2021:

(NOK 1000)	2021	2020
NET DEBT		
Cash and cash equivalents	482 698	240 430
Mortgage debt - repayable within one year	0	-17 061
Mortgage debt - repayable after one year	0	-789 339
Amortisation effect, mortage debt	0	4 348
Lease liabilities - IFRS 16	-2 708	-2 682
Accrued interest cost	0	-3 150
Debt of discontinued operations	-419 216	0
Net debt	60 774	-567 455
Cash and cash equivalents	482 698	240 430
Gross debt - fixed interest rates	0	-542 094
Gross debt - variable interest rates	0	-264 307
Amortisation effect, mortage debt	0	1 198
Lease liabilities - IFRS 16	-2 708	-2 682
Debt of discontinued operations	-419 216	0
Net debt	60 774	-567 455

(NOK 1000)	CASH/CASH EQUIVALENTS	BORROW. DUE WITHIN 1 YEAR	BORROW. DUE AFTER 1 YEAR	AMORTISATION EFFECT, MORTAGE DEBT	ACCURED INTEREST COST	TOTAL
Net debt as at 1 January 2021	240 430	-17 061	-792 021	4 348	-3 150	-567 455
Discontinued operations		-402 155	792 021	-4 348	3 150	-567 455
Cash flows	240 368		0	0	0	240 368
Lease liabilities IFRS 16	0	0	-2 708	0	0	-2 708
Foreign exchange adjustments	1 900	0	0	0	0	1 900
Other non-cash movements	0	0	0	0	0	0
Net debt as at 31 December 2021	482 698	-419 216	-2 708	0	0	60 774

NOTE 15 – Pension costs and pension obligations

All employees have changed to defined-contribution plan.

Defined-benefit plan
The Group has a company pension scheme with tax deductions for its employees in a life insurance company. The pension scheme entitles future defined benefits. The benefits depend on the number of contribution years, the wage level at retirement and the size of the benefits from the National Insurance. Full retirement pension constitutes about 63% of the pension base (limited to 12G) and the pension scheme also includes disability and children's pensions. The retirement age is 67 years. The Group has the right to undertake changes in the pension scheme. These pension schemes are funded obligations.

All pension schemes have been treated in accordance with IAS 19. Changes in the pension obligations due to changes in actuarial assumptions are recognised in the comprehensive income. The discount rate is equal to the interest rate on covered bonds (OMF). If the discount rate is reduced by 1%, it will normally result in an increase in the gross pension obligation of 15% to 20%.

The pension cost is based on the actuarial assumptions as at 01.01, whereas the pension obligations are based on the actuarial assumptions at 31.12.

	2021	2020
ACTUARIAL ASSUMPTIONS		
Discount rate	1,90%	1,70%
Estimated return on plan assets	1,90%	1,70%
Inflation/Increase of National Insurance Basic Amount (G)	2,75%	2,25%
Rate of salary increase	2,75%	2,25%
Rate of pension increase	2,50%	2,00%
Number of deferred members	0	0
Number of pensioners	2	2
Mortality table	K-2013	K-2013

(NOK 1000)	2021	2020
SPECIFICATION OF THE GROUP'S NET PENSION COST		
Current service cost	0	9
Interest expenses on benefit obligations	96	13[illegible]
Administration costs	-	-2[illegible]
Net pension cost	96	12[illegible]
Payroll tax	14	[illegible]
Pension cost in the income statement	110	14[illegible]

(NOK 1000)	31.12.2021	31.12.2020
SPECIFICATION OF THE GROUP'S NET PENSION OBLIGATIONS		
Gross obligations, secured	0	0
Gross obligations, unsecured	-6 049	-5 79[illegible]
Fair value of plan assets	0	0
Payroll tax	-853	-81[illegible]
Book value of net pension obligations	-6 902	-6 60[illegible]
Carrying value 01.01.	-6 607	-7 244
Cost in income statement	-110	-14[illegible]
Contributions during the year	326	31[illegible]
Recognised net actuarial (loss) / gain	-512	46[illegible]
Carrying value 31.12.	-6 902	-6 607

Actual return on plan assets per 31.12.2021 was 7.0%.

SHORTCUTS

NOTE 16 – Right-to-use asset and leasing liability

IFRS 16 "Leases" sets out the principles for the recognition, measurement and disclosure requirements for both parties to a lease contract. IFRS 16 was effective for reporting periods beginning on or after 1 January 2019 and the Group adopted IFRS 16 on the effective date using a modified retrospective approach.

The Group is both a lessor, as it charters vessels to customers, and a lessee. The new requirements resulted in significant changes to the accounting model applied by lessees and primarily affected the Group's accounting for the operating leases as a lessee. The accounting for lessors was not significantly change.

To determine whether a contract contains a lease, it is considered whether the contract conveys the right to control the use of an identified asset. This is for the Group considered to only be the case for office leases. The Group has long term lease agreements on office premises and warehouses that was affected by implementation of IFRS 16. For the Group, these lease commitments resulted in the recognition of an asset (right-of-use) and a lease liability. The rental period is calculated based on the duration of the agreement plus any option periods if these with reasonable certainty will be exercised. Joint expenses etc. are not recognised in the lease liability for the rental contracts.

As permitted by IFRS 16, the Group chose to measure the right-of-use asset equal to the amount of the liability at the implementation date. The future payments under each lease arrangement have been discounted using the incremental borrowing rate applicable to the leased assets in order to calculate the lease liability recognized on the date of adoption.

The Group used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- *Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term*
- *The Group had no lease agreements in the balance sheet as of 1 January 2019*
- *Excluded initial direct costs from measuring the right-of-use assets at the date of initial application*

The liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 3.0%. As of 1 January 2019, the implementation effects were as following:

- *Right-of-use assets in the statement of financial position increased by NOK 3.6 million*
- *Lease liability in the statement of financial position increased by NOK 3.6 million*
- *Effect on equity amounted to 0*

There are no significant changes to the Group's profit but the cash flow statement for leases are affected with lease payments being presented as financing activities as opposed to operating activities. Some of the Group's commitments relates to arrangements that will not qualify as leases under IFRS 16.

(NOK 1000)	2021	2020
RIGHT-OF-USE ASSETS		
Balance at 1 January	4 316	6 042
New lease liabilities	0	0
Disposals during the year	0	0
Depreciation	-1 726	-1 726
Carrying amount as at 31 December	2 590	4 316
Depreciation method	Straight-line	Straight-line
Useful life (years)	4	4

SHORTCUTS

(NOK 1000)	2021	2020
LEASE LIABILITIES		
Balance at 1 January	4 413	6 068
New lease liabilites	0	0
Change in lease liabilities	0	0
Paid installment (cash flow)	-1 705	-1 655
As at 31 December	2 708	4 413

UNDISCOUNTED LEASE LIABILITY AND MATURITY OF CASH FLOWS		
Less than 1 year	1 920	1 820
1-4 years	853	2 730
Total discounted lease liability as at 31 December	2 773	4 550
Interest rate	3,00%	3,00%

The discount rate for the rental contracts is determined by looking at observable borrowing rates in the bond market. The interest rates are adapted to the actual lease contracts duration. Payment of interest related to lease liabilities is presented as cash flow from financing activities as this is best in accordance with the objective of the rental agreement. The Group has recognised its lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application.

(NOK 1000)	2021	2020
EFFECT ON CONSOLIDATED INCOME STATEMENT		
Administration cost - office rent	1 851	1 851
Depreciation - right-of-use asset	-1 726	-1 726
Interest cost - lease liabilities	89	163
Net effect consolidated income statement	214	288

NOTE 17 – Shareholders' information and transactions with related parties

The 20 largest shareholders in GC Rieber Shipping ASA as at 31 December 2021 (outstanding shares):

NAME	NUMBER OF SHARES	OWNER SHARE
GC Rieber AS	66 145 908	76,8%
AS Javipa	2 003 492	2,3%
GC Rieber Fondet	1 807 255	2,1%
Pareto Aksje Norge	1 478 737	1,7%
Viben AS	1 334 435	1,6%
Celsius AS	1 328 768	1,5%
Trioship Invest AS	1 190 000	1,4%
Delta AS	975 000	1,1%
Solomio AS	850 000	1,0%
Johanne Marie Rieber Martens	786 654	0,9%
Storkleiven AS	750 022	0,9%
Pelicahn AS	685 166	0,8%
Middelboe AS	553 306	0,6%
Benedicte Martens Nes	386 250	0,4%
Triofa 2 AS	278 001	0,3%
Mikkel Martens	225 949	0,3%
Dag Fredrik Jebsen Arnesen	212 000	0,2%
Thorild Marie Rong	210 648	0,2%
Bergen Råvarebørs AS	208 668	0,2%
Tigo AS	186 359	0,2%
Other Shareholders	4 490 692	5,2%
Outstanding shares	86 087 310	100,0%

CEO Einar Ytredal holds 40 885 shares, CFO Øystein Kvåle holds 28 900 shares and CCO Christoffer Knudsen holds 11 000 shares in the Group.

At 31.12.2021, GC Rieber AS owns 66 145 908 shares in GC Rieber Shipping ASA, constituting 76.8% of the outstanding shares in the Group. GC Rieber Holding AS, Pelicahn AS and AS Javipa together hold 50% of the shares in GC Rieber AS. Through non-controlling interests in these three companies, the Chairman of the Board, Paul-Christian Rieber, indirectly owns 29.3% of the shares in GC Rieber Shipping ASA.

No other Board members own shares in the Group.

The company sold its 54,500 own shares to employees in September 2021, and holds no own shares as at 31 December 2021.

Transactions with the parent company
One of the Group's subsidiaries has entered into lease agreements for storage premises and parking lots with subsidiaries of GC Rieber AS. The same subsidiary has entered into an agreement with GC Rieber AS concerning the purchase/hiring of ICT services and equipment as well as purchase of certain administrative services.

(NOK 1000)	2021	2020
ICT and administration expenses	4 559	6 548
Lease payments	280	453

Transactions with joint ventures & associates (the equity method)
The Group has had several transactions with joint ventures & associated companies. All transactions have been carried out as part of the ordinary operations and at arm's length prices.

The most important transactions are as follows:

(NOK 1000)	2021	2020
Management income - OOO Polarus	758	813
Other income – OOO Polarus	431	0
Management income - Shearwater	0	5 615
Total	1 189	6 427

The balance sheet includes the following amounts originating from transactions with joint ventures & associated companies:

(NOK 1000)	2021	2020
Trade receivables	599	598
Short term liabilities	0	0
Total (net)	599	598

NOTE 18 – Capital structure and financial risk management

(NOK 1 000)

1. CAPITAL STRUCTURE
The Group runs a capital-intensive business where the ongoing capital requirement mainly relates to investments in new vessels, reconstruction/conversion of vessels, and repayment of debt and possible acquisitions of companies. The Group aims at securing a long-term financing of new investments from acknowledged financial institutions that are acquainted with the Group's business. The terms of such financing will normally reflect the different investments' equity ratio, which in turn is normally influenced by the risk profile of the investments. Furthermore, the public listing of GC Rieber Shipping ensures that the Group has sufficient access to equity markets if and when a need for such recapitalisation should arise.

The Group's overall strategy is to have a capital structure involving satisfactory solidity and liquidity that ensures favourable terms on long-term financing and gives the Group the opportunity to have a stable dividend policy, combined with freedom of action and flexibility with regards to responding to new investment possibilities. Interest and instalments on the long-term financing will normally be repaid with the operating cash flows from the related investments, mainly from cash flows from operation of vessels.

Net debt ratio

The net debt ratio is calculated by dividing net interest-bearing debt on adjusted total capital. Net interest-bearing debt includes all debt on which interest is accrued as recorded in the balance sheet less cash and cash equivalents. Adjusted total capital is the equity recorded in the balance sheet, plus net interest-bearing debt.

The net debt ratio as at 31.12.2021 and 31.12.2020 is calculated as follows:

(NOK 1000)	2021	2020
Total mortgage debt incl. amortisation effect	0	805 203
Discontinued operations (total mortgage debt incl. amortisation effect)	419 216	0
Cash	-482 698	-240 430
Net interest-bearing debt incl. amortisation effect	-63 482	564 773
Total equity	1 213 222	1 277 605
Total capital (adjusted)	1 149 740	1 842 378
Net debt ratio	-5,52%	30,65%

The net debt ratio is negative as cash exceed interest-bearing debt as at 31.12.2021. The decrease in net debt ratio from 2020 is mainly related to repayment of debt following the sale of Polar Queen in March 2021 and the sale of shares in Shearwater in July 2021. See note 10 and 14 for further details.

As some subsidiaries have functional accounts in USD, changes in USD/ NOK exchange rates will affect the Group's equity.

Following the sale of Polar Onyx in February 2022 the Group is debt free.

2. BALANCE SHEET INFORMATION

The Group's financial assets and liabilities are included in the balance sheet as follows:

(NOK 1000)	2021	2020
FINANCIAL ASSETS AT AMORTISED COST		
Trade receivables	859	29 942
Cash and cash equivalents	482 699	240 430
Total financial assets	483 558	270 372

(NOK 1000)	2020	2020
LIABILITIES AT AMORTISED COST		
Interest bearing long-term debt	0	784 99[illegible]
Lease commitments - IFRS 16	2 708	2 682
Interest bearing short-term debt including accrued interest	0	20 21[illegible]
Trade payables	2 882	20 742
Other current liabilities including short term lease commitments IFRS 16	4 337	7 320
Liabilities of dicontinued operations	419 216	
Total financial liabilities	429 143	835 947

The carrying values of financial assets and liabilities are assumed to be their fair values.

Security for capitalised assets

- *Security has not been provided for any of the Group's trade payables.*
- *The Group's vessels are pledged as collateral for interest-bearing debt of NOK 411.8 million.*

In 2021, the Group did not make use of derivatives in order to manage credit risk. The Group aims at a situation where the charterers provide parent company guarantees for their liabilities in connection with the lease agreements when this seems reasonable and commercially achievable.

The maximum risk exposure is represented by the carrying amount of the financial assets, including derivatives, in the balance sheet. As the counterparty in derivative transactions normally is a financial institution, the credit risk related to derivatives is considered limited. The Group therefore regards its maximum risk exposure to be equal to the carrying amount of trade receivables (note 11) and other current assets.

3. INCOME STATEMENT INFORMATION

The Group's profit and loss related to financial assets and financial liabilities are presented below:

(NOK 1000)	2021	2020
Currency gains on bank deposits and cash	0	2 770
Currency gains receivables	10 497	9 354
Interest income on bank deposits and cash	2 332	978
Other financial income	779	2 540
Total financial income in the income statement	13 608	15 642
Interest cost	658	781
Currency losses on bank deposits and cash	1 900	17 247
Total financial expenses in the income statement	2 558	18 028

The financial instruments have not been subject to hedge accounting, and the Group records change in fair value of financial instruments through profit or loss in accordance with IFRS 9.

4. FINANCIAL RISK MANAGEMENT

As the Group operates its business internationally, it is exposed to various risks: market risk (including foreign exchange risk and interest risk), liquidity risk, credit risk and geopolitical risk. The Group's primary risk management plan focuses on minimising the potential negative effects that unpredictable changes in the capital markets may have on the Group's financial results.

The Group continuously assesses the use of derivatives to reduce risk, in accordance with a strategy for hedging of interest rate and currency exposure adopted by the Board. The operative risk management is performed by the finance department and is regularly reported to the Board.

In the beginning of 2020, covid-19 stirred market fundamentals in a short amount of time. With the simultaneous dramatic fall in the oil price, the offshore industry and GC Rieber Shipping's business faced significant uncertainty world-wide. While GC Rieber Shipping did not lose any business as a result of these events, the Group faced higher costs keeping the vessels operational through the challenging times. See note 21 for further considerations around covid-19.

The ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. It is currently uncertain to what extent the business will be affected.

MARKET RISK

Foreign exchange risk

The Group operates internationally and is exposed to currency risk in several currencies. The Group's income is in USD, GBP, EUR and NOK, and costs are mainly in NOK, EUR and USD. In order to reduce the Group's foreign currency exposure, the Group's debt has mainly been held in USD. A continuous assessment is made regarding hedging of the expected future net cash flow in USD, GBP, EUR and other relevant currencies.

Based on the budgeted composition of the Group's operating income and operating expenses and liabilities for continuing operations the coming year, an increase in the USD/NOK, EUR/NOK and GBP/NOK exchange rate by NOK 1.00 will have immaterial effect on the result.

In addition, an increase in USD against NOK by 1.00 involves an increase in the equity through the comprehensive income by NOK 91 million.

Price risk - Bunkers

As a main principle, the Group is not exposed to any change in bunkers prices for vessels as this risk stays with the charterer. Consequently, the Group has not entered into any forward contracts to hedge the risk of changes in prices of bunkers.

Interest rate risk

The Group's interest rate risk is related to long-term loans.

As at 31.12.2021 the Group had interest-bearing debt of NOK 419.2 million related to discontinued operations, with a fixed CIRR rate. The debt was repaid in full following the sale of Polar Onyx in February 2022, leaving GC Rieber Shipping debt free.

See note 14 for further information on long-term liabilities.

On a general note, the Group assesses on a continuous basis how much of its exposure to interest rate fluctuations that shall be hedged.

CREDIT RISK

The Group's credit risk relates to cash and cash equivalents, trade receivables and derivative financial instruments (if any). The Group uses an "expected loss" model that focuses on the risk that a loss will incur, rather than whether a loss has been incurred. The Group has its cash and cash equivalents placed in financial institutions with high credit worthiness.

The Group aims to have a diversified contract portfolio. At the time, however, there are limited possibilities of diversifying with the Subsea & Renewables segment now discontinued and all charter activities being generated in the JV Ice/Support.

The Group endeavours to ensure that vessel contracts are only entered into with customers who have good payment ability and payment history, and the development in the market is closely monitored. In particular, this applies for contracts beyond a certain duration. The Group seeks to ensure that charterers provide parent company guarantees for their obligations under the contracts when commercially achievable. The Group has not guaranteed for any third-party liabilities.

The maximum risk exposure is represented by the carrying amount of the financial assets, including derivatives, in the balance sheet. As the counterparty in derivative transactions normally is a financial institution, the credit risk related to derivatives is considered to be minor. Therefore, the Group regards its maximum credit risk exposure to be equal to the carrying amount of trade receivables (note 11) and other current assets.

The Group's credit risk is considered to be moderate on an overall basis. For continuing operations, the expected losses are considered immaterial as at 31.12.2021.

SHORTCUTS

LIQUIDITY RISK

The Group's lenders are acknowledged Norwegian and international shipping banks. The Group's strategy is to have sufficient liquidity in the form of bank deposits, interest-bearing securities and credit facilities to ensure that the Group at all times can finance the operations and ongoing investments of a moderate size. The cash management policy of the Group includes investing liquidity in financial institutions with high credit worthiness and interest-bearing securities with high liquidity and low credit risk.

Undiscounted cash flows of the Group's assets and financial liabilities per 31.12.2021 are presented below:

	REMAINING PERIOD			
31.12.2021	**0-12 MONTHS**	**1-5 YEARS**	**MORE THAN 5 YEARS**	**TOTAL**
Restricted cash	0	0	0	0
Trade receivables and other receivables	1 484	0	0	1 484
Bank deposits and cash	482 698	0	0	482 698
Total financial assets	**484 182**	**0**	**0**	**484 182**
Interest-bearing long-term liabilities (Undiscounted)	0	0	0	0
Financial investments	0	0	0	0
Lease liabilities	1 920	853	0	2 773
Trade payables and other short-term liabilities	7 065	0	0	7 065
Interest-bearing long-term liabilities, discontinued operations (Undiscounted)	421 429	0	0	421 429
Total financial liabilities	**430 414**	**853**	**0**	**431 267**

31.12.2020	**0-12 MONTHS**	**1-5 YEARS**	**MORE THAN 5 YEARS**	**TOTAL**
Restricted cash	0	8 539	0	8 539
Trade receivables and other receivables	48 798	0	0	48 798
Bank deposits and cash	240 430	0	0	240 430
Total financial assets	**289 228**	**8 539**	**0**	**297 767**
Interest-bearing long-term liabilities (Undiscounted)	43 562	816 463	0	860 025
Financial investments	2 776	2 776	0	5 552
Lease liabilities	1 820	2 730	0	4 550
Trade payables and other short-term liabilities	26 242	0	0	26 242
Total financial liabilities	**74 400**	**821 969**	**0**	**896 369**

SHORTCUTS

HEDGING

The Group continuously assesses the use of derivative financial instruments to manage currency and interest rate risk. Hedge accounting is not applied, so all derivatives will be classified as trading instruments and measured at fair value thorough profit and loss. Cash flow hedging is mainly performed by entering into forward contracts and option structures regarding the sale of relevant currency against NOK. Realised gains/losses and changes in fair value are recognised in the income statement. There were no active forward contracts as at 31.12.2021 or 31.12.2020.

The Group's interest-bearing debt is denominated in USD with a fixed rate, and in its entirety related to discontinued operations as at 31.12.2021. See note 14 for further details.

On a general note, to increase the predictability of the Group's future interest expenses related to interest-bearing debt, assessments are made regarding the hedging of future interest payments. Any hedging is mainly carried out through entering into forward interest rate swap contracts. Realised gains/losses and changes in fair value are recognised in the income statement. As at 31.12.2021 the Group had no open interest rate derivatives, and the Group's portfolio of financial hedging instruments at the balance sheet was zero. The same applied for 31.12.2020.

5. FAIR VALUE ASSESSMENT

The table below shows financial instruments at fair value 31.12 according to the valuation methods described in note 2.7:

(NOK 1000)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
2021				
FINANCIAL ASSETS AT FAIR VALUE OVER PROFIT OR LOSS:				
Financial fixed assets	0	0	440 301	440 301
Total assets	0	0	440 301	440 301
2020				
FINANCIAL ASSETS AT FAIR VALUE OVER PROFIT OR LOSS:				
Financial fixed assets	0	0	0	0
Total assets	0	0	0	0

For further information about the financial instruments, see note 10 under financial fixed assets.

NOTE 19 – Other current liabilities

(NOK 1000)	2021	2020
Evaluation financial instruments	0	0
Accrued expenses	1 141	1 14[illegible]
IFRS 16 adjustments	1 749	1 705
Other	1 447	2 61[illegible]
Total other current liabilities	4 337	5 458

For discontinued operations, please see note 24 for more information.

NOTE 20 – Contingencies

Earn-out
In December 2021, GC Rieber Shipping received an earn-out of NOK 780 000 as a final settlement related to the sale of shares in Octio in 2012 and 2013.

NOTE 21 – Covid-19

In the beginning of 2020 Covid-19 stirred market fundamentals. With the simultaneous dramatic fall in the oil price, the offshore industry and GC Rieber Shipping's business faced significant uncertainty world-wide. While GC Rieber Shipping did not lose any business as a result of these events, the Group faced higher costs keeping the vessels operational through the challenging times.

GC Rieber Shipping does no longer provide ship management services and sold its last wholly owned vessel in February 2022. As such, the extent of operational challenges for the Group due to Covid-19 restrictions are reduced in 2022 compared to 2021 and 2020.

For 2022, potential risk is mainly related to the realisation of new projects and the Group's investments in joint ventures and financial fixed assets.

NOTE 22 –Events after balance sheet date

Sale Polar Baikal
GC Rieber Shipping has sold the crew boat Polar Baikal, owned through the 50/50 joint venture in the Ice/Support segment. The vessel has been chartered to the Sakhalin Energy Investment Corporation (SEIC) for 12 years. The sale will have limited accounting effects.

Business and assets in Russia
The ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. It is currently uncertain to what extent the business will be affected. GC Rieber Shipping is monitoring the situation closely to comply with all sanctions and will revert with further information if the contract status changes.

NOTE 23 – Alternative preformance measurements

The Group presents alternative performance measurements (APM) that are regularly reviewed by management and aim to enhance the understanding of the Group's performance. APMs are calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described below:

Alternative performance measurements

MEASURE	DESCRIPTION	REASON FOR INCLUDING
OPERATING PROFIT BEFORE DEPRECIATION (EBITDA)	EBITDA is defined as operating profit, before impairment of tangible and intangible assets, depreciation of tangible assets. EBITDA represents earnings before interest, tax and depreciation, and is a key financial parameter for the Group.	This measure is useful in evaluating operating profitability on a more variable cost basis as it excludes depreciation and impairment related primarily to acquisitions that occurred in the past. EBITDA shows operating profitability regardless of capital structure and tax situations
OPERATING PROFIT (EBIT)	EBIT represents earnings before interest and tax.	EBIT shows operating profitability regardless of capital structure and tax situations.
NET INTEREST-BEARING DEBT	Net interest-bearing debt consists of both current and non-current interest-bearing liabilities less interest bearing financial assets, cash and cash equivalents.	Net interest-bearing debt is a measure of the Group's net indebtedness that provides an indicator of the overall statement. It measures the Group's ability to pay all interest-bearing liabilities within available interest- bearing financial assets, cash and cash equivalents, if all debt matured on the day of the calculation. It is therefore a measurement of the risk related to the Group's capital structure.
EQUITY RATIO	Equity divided by assets at the reporting date.	Measure capital contributed by shareholders to fund the Group's assets.
EARNINGS PER SHARE	Earnings divided by average number of shares outstanding.	Measures the Group's earnings on a per-share basis.

Other definitions

MEASURE	DESCRIPTION
MARKET VALUE	Calculated average vessel value between several independent brokers' estimates based on the principle of "willing buyer and willing seller".
CAPACITY UTILISATION	Capacity utilisation is a measure of the Group`s ability to keep vessels in operation and on contract with clients, expressed as a percentage. The capacity utilisation numbers are based on actual available days.
CONTRACT COVERAGE	Sum of undiscounted revenue related to secured contracts in the future. Optional contract extensions as determined by the client in the future are not included.

SHORTCUTS

NOTE 24 – Discontinued operations

Until March 2021 the Group owned and operated two vessels within the Subsea & Renewables segment: Polar Queen and Polar Onyx. Polar Queen was sold in March 2021. Furthermore, in December 2021, GC Rieber Shipping entered into an agreement to sell the SURF/construction vessel Polar Onyx. The vessel was delivered to the new owners 17 February 2022. Following the sale of Polar Onyx, GC Rieber Shipping no longer own or operate vessels within the Subsea & Renewables market and the Subsea and Renewables segment is considered as discontinued operations.

Income statement – discontinued operations

(NOK 1000)	2021	2020
Operating income	81 532	228 757
Operating expenses	-102 422	-148 749
EBITDA*	-20 890	80 008
Depreciation	-53 589	-104 119
Write-down	-31 850	-459 085
Gains (losses) on sale of fixed assets	20 979	0
Foreign currency translation subsidiaries recycled	155 245	0
Operating profit (EBIT)	69 895	-483 196
Financial income	10 004	1 277
Financial expenses	-35 332	-40 459
Realised currency gains (losses)	1 914	-1 339
Unrealised currency gains (losses)	-7 727	10 777
Profit/loss before taxes	38 754	-512 939
Taxes	123	-161
Profit/loss from discontinued operations	38 877	-513 101
Basic and diluted earnings per share discontinued operations	0,45	-5,96

Operating income – discontinued operations

TC hire (time charter hire) are revenues where the Group is to deliver vessels, equipment and crew as a service to the customer based on a fixed fee/day rate. A time charter contract can be divided into a bareboat element and a service component. Out of total income per 31.12.2021, the bareboat element constitutes approximately NOK 14 million. Remaining income qualifies as IFRS 15 income.

Other revenue is additional services provided in connection with for example time charter contracts and fees for technical support and sales of bunkers.

Statement of financial position – discontinued operations

(NOK 1000)	31.12.2021
Vessels	583 597
Machinery and equipment	1 713
Total tangible fixed assets	585 310
Accounts receivables	8 511
Total receivables	8 511
Assets classified as held for sale	593 821
Long-term debt due within one year	419 216
Current liabilities	64 726
Liabilities of assets classified as held for sale	483 942

Current liabilities – discontinued operations

A deposit for the sale of Polar Onyx was received in December 2021 and is presented as part of current liabilities per 31.12.2021.

Provision for loss on trade receivables:

Of trade receivables considered as discontinued operations a provision of loss of NOK 5.7 million was accounted for per 31.12.2021. The provision for loss on trade receivables have been classified as operating expenses in the income statement for discontinued operations.

Financial Statement GC Rieber Shipping ASA

SHORTCUTS

Income Statement

GC RIEBER SHIPPING ASA

(NOK 1000)	NOTE	2021	2020
OPERATING INCOME			
Operating income		0	0
Total operating income		0	0
OPERATING EXPENSES			
Administration expenses	3,4,5	-8 438	-8 639
Total operating expenses		-8 438	-8 639
Earnings before interests, taxes, depreciations and amortisations (EBITDA)		-8 438	-8 639
Net operating income		-8 438	-8 639
FINANCIAL INCOME AND EXPENSE			
Sale of shares in subsidiaries	8	113 045	0
Write-down investment in subsidiary	7	-5 141	-7 865
Write-down receivables in subsidiary	7	-24 435	-104 376
Financial income		4 170	6 035
Financial expenses		-71	-43
Financial expenses subsidiaries		0	0
Realized currency gains (losses)		2 505	4 222
Unrealized currency gains (losses)		9 019	-10 920
Net financial income and expenses		99 092	-112 946
Net income before taxes		90 655	-121 585
Taxes	6	0	0
Net income of the year	11	90 655	-121 585
ALLOCATION OF NET LOSS/PROFIT			
Allocation of Net Loss/Profit	11	47 612	121 585
Dividend	11	43 044	0
Transferred from Other Equity	7		
Total allocation		90 655	121 585

Statement of Financial Position - Assets

GC RIEBER SHIPPING ASA

(NOK 1000)	NOTE	31.12.2021	31.12.2020
FIXED ASSETS			
Investments in subsidiaries	7	93 679	98 820
Other financial assets	8, 14	316 737	633 329
Total financial fixed assets		410 416	732 149
Total fixed assets		410 416	732 149
CURRENT ASSETS			
Receivables from subsidiaries	9	47 805	50 079
Other current assets		140	178
Total receivables		47 945	50 257
Cash and cash equivalents	10	421 241	219 430
Total current assets		469 186	269 687
Total assets		879 602	1 001 836

SHORTCUTS

Statement of Financial Position - Equity and Liabilities

GC RIEBER SHIPPING ASA

(NOK 1000)	NOTE	31.12.2021	31.12.2020
EQUITY AND LIABILITIES			
EQUITY			
Share capital (86,087,310 shares at NOK 1.80)	11,12,13	154 957	154 957
Portfolio of own shares (54,500 shares at NOK 1.80)	11	0	-98
Share premium	11	286 510	286 510
Paid in capital		441 468	441 369
Other equity	11	141 307	199 286
Total retained earnings		141 307	199 286
Total equity		582 775	640 655
LIABILITIES			
Trade payables		0	113
Dividend	11	43 044	0
Liabilities to subsidiaries	9	252 643	359 927
Other current liabilities		1 141	1 141
Total current liabilities		296 828	361 181
Total liabilities		296 828	361 181
Total equity and liabilities		879 602	1 001 836

Bergen 18 March 2022
The Board of Directors of GC Rieber Shipping ASA

Paul-Chr. Rieber Chairman	Morten Foros Krohnstad Vice Chairman	Birthe Cecilie Lepsøe Board Member
Pål Selvik Board Member	Ingrid von Streng Velken Board Member	Einar Ytredal CEO

Cash Flow Statement

GC RIEBER SHIPPING ASA

(NOK 1000)	NOTE	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES			
Net income before taxes		90 655	-121 585
Write-down investments in subsidiaries	7	5 141	7 865
Write-down on receivables	7	24 435	104 376
Exchange differences		-9 019	10 920
Profit on sale of shares in associated companies	8	-113 045	0
Change in accounts payable		-113	91
Change in receivables from subsidiaries		-129 445	48 475
Change in other current assets and other liabilities		36	995
Net paid interests		41	13
Net cash flow from operating activities		-131 314	51 150
CASH FLOW FROM INVESTMENT ACTIVITIES			
Payments from sale of financial fixed assets		440 092	0
Payments for investments in financial fixed assets		-10 455	0
Net cash flow from investment activities		429 637	0
CASH FLOW FROM FINANCING ACTIVITIES			
Sale of own shares	11	396	0
Dividend payment	11	-105 887	0
Net paid interests		-41	-13
Net cash flow from financing activities		-105 532	-13
Net change cash and cash equivalents		192 791	51 137
Cash and cash equivalents at 01.01.		219 430	179 212
Currency gains (losses) on cash and cash equivalents		9 019	-10 920
Cash and cash equivalents at 31.12.	10	421 241	219 430

Notes to the Consolidated Financial Statements

GC RIEBER SHIPPING ASA

NOTE 1 - Corporate information

GC Rieber Shipping ASA (the "Company") is a listed public limited company registered in Norway. The corporate head office is located at Solheimsgaten 15, 5058 Bergen, Norway.

The financial statements were authorised for issue by the Board of Directors on 18. March 2022.

NOTE 2 – Accounting principles

The financial statements are prepared in accordance with the Norwegian Generally Accepted Accounting Principles (NGAAP) as set out in the Norwegian Accounting Act of 1998. The accounting principles are described below.

Classification of assets and liabilities in the balance sheet
Assets intended for permanent ownership or use and receivables due later than one year after the balance sheet date are classified as fixed assets. Other assets are classified as current assets. Liabilities due later than one year after the balance sheet date are classified as long-term debt. Other liabilities are classified as short-term debt.

Investments in subsidiaries, associated companies and other investments
Investments in subsidiaries and associated companies are valued in accordance with the cost method. If fair value is lower than cost, and the fall in value is not considered to be temporary, the investment will be valued at fair value.

Receivables and liabilities in foreign currency
Receivables and liabilities in a foreign currency are translated into NOK using the exchange rate at the balance sheet date. Realised and unrealised gains and losses are classified as financial items.

Receivables
Receivables are valued at the lower of their nominal value and fair value.

Cash and bank deposits
Cash and bank deposits, etc. include bank deposits, cash in hand and short-term bank deposits with an original maturity of three months or less. In some cases, the company also enters into contracts for short-term deposits with maturity exceeding three months. Per 31.12.2021, there are no deposits with maturity exceeding three months.

SHORTCUTS

Contingencies
Contingent losses are recognised as expense if they are probable and can be reliably measured. Contingent gains that are probable and contingent losses that are less probable, are not recognised but disclosed in the annual report or in the accompanying notes.

Taxes
Tax expenses are related to profit before tax and are expensed for when they incur. The tax expense consists of tax payable (tax on taxable income for the year) and change in net deferred tax. The tax expense is allocated to ordinary profit and extra-ordinary profit in accordance with the basis for the taxes.

Deferred tax liability and deferred tax assets are presented net in the balance sheet. The disclosure of deferred tax benefits on net tax reducing differences and carry forward losses, is based on estimated future earnings.

Cash flow statement
The Company's cash flow statement shows the Company's consolidated cash flows distributed between operating activities, investment activities and financing activities. The statement shows the impact of the different activities on the Company's cash and cash equivalents. The cash flow statement is presented based on the indirect method.

NOTE 3 – Payroll expences, number of employees, remunerations to board and auditor

The Company has no employees, but CEO is contracted from the subsidiary GC Rieber Shipping AS. The CEO has not received any remuneration from GC Rieber Shipping ASA as the salary has been provided from the subsidiary GC Rieber Shipping AS. No agreement has been entered into with the Chairman of the Board with regards to special payments upon the termination or change of his employment. There exist no agreements that give employees or representatives entitlement to subscribe for or purchase or sell shares in the Company.

The Group's guidelines on remuneration to leading personnel and the renumeration report for 2021 can be found in www.gcrieber-shipping.no.

(NOK 1000)	SALARY	OTHER BENEFITS	PENSION PREMIUM	TOTAL REMUNERATION
MANAGEMENT REMUNERATION 2021				
Einar Ytredal, CEO	3 764	21	376	4 160
Øystein Kvåle, CFO	1 627	15	172	1 815
Christoffer Knudsen, CCO	2 001	16	184	2 201
Total management remuneration	7 391	51	732	8 17[illegible]

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

(NOK 1000)	SALARY	OTHER BENEFITS	PENSION PREMIUM	TOTAL REMUNERATION
MANAGEMENT REMUNERATION 2020				
Einar Ytredal, CEO	2 479	20	317	2 816
Øystein Kvåle, CFO	1 526	17	111	1 653
Christoffer Knudsen, CCO	1 782	22	111	1 914
Bjørn Valberg, Technical Director	1 168	12	62	1 242
Jan Renè Myran, COO (until October 2020)	1 258	11	100	1 370
Eilert Nøttingnes, Head of QHSE (until October 2020)	872	12	52	936
Benedicte Breistein, Head of Crewing (until October 2020)	619	14	39	672
Total management remuneration	9 704	108	792	10 603

(NOK 1000)	DIRECTORS' FEES 2021	DIRECTORS' FEES 2020
BOARD REMUNERATION		
Paul-Chr. Rieber, chairman (incl. audit committee until April 2021)	325	300
Morten Foros Krohnstad, vice-chairman	225	200
Birthe Lepsøe (incl. audit comittee from April 2021)	167	0
Pål Selvik (incl. audit committee from April 2021)	150	0
Ingrid von Streng Velken (from April 2021)	117	0
Trygve Bruland (incl. audit committee until April 2021)	75	200
Bodil Valland Steinhaug (until April 2021)	58	150
Tove Lunde (until October 2020)	0	113
Total Board remuneration	1 117	963

(NOK 1000)	2021	2020
Audit services	367	368
Tax consulting	0	0
Other services	38	0
Total auditor's fees	405	368

NOTE 4 – Specification of operating expenses by category

(NOK 1 000)	2021	2020
Board remuneration incl. social security tax	1 098	1 28[illegible]
Auditor's fees	436	368
Management fee to GC Rieber Shipping AS	5 000	5 750
Legal fees	942	56[illegible]
Consultancy fee	119	710
Return on bad debts	0	-65[illegible]
Other administration expenses	842	62[illegible]
Total operating expenses	8 438	8 63[illegible]

NOTE 5 – Transactions with related parties

The Company has entered into an agreement with GC Rieber Shipping AS to purchase administrative services. Yearly management fee is NOK 5.0 million. Reference is made to note 12 for other transactions with related parties.

Guarantee commission revenue on guaranteed bank loans in Polar Ship Invest II AS and Polar Ship Invest III AS amounts to NOK 1.1 million.

NOTE 6 – Taxes

(NOK 1000)	2021	2020
Net income before taxes	90 655	-121 585
PERMANENT DIFFERENCES:		
Write-down receivable and investment in subsidiary	29 576	112 241
Sale of shares	-113 045	0
TEMPORARY DIFFERENCES:		
Change profit and loss account	14	3
Tax losses carried forward	-7 199	0
Basis for taxes for the year	0	-9 340
Payable income tax (22%)	0	0
Net income before taxes	90 655	-121 585

(NOK 1000)	2021	2020
Calculated tax, nominal rate 22%	19 944	-26 749
Change in deferred tax asset not recognised in balance sheet	-1 581	2 056
Permanent differences	-18 363	24 693
Tax expense/-income	0	0
Profit and loss accont	0	14
Carry forward loss for tax purposes	-262 545	-269 745
Basis for calculation of deferred tax	-262 545	-269 731
Tax rate	22%	22%
Calculated deferred tax/deferred tax asset	-57 760	-59 341
Deferred tax asset not recognised in the balance sheet	57 760	59 341
Deferred tax/deferred tax asset in the balance sheet	0	0

NOTE 7 – Investments in subsidiaries

(NOK 1 000)

SUBSIDIARY:	BUSINESS OFFICE	VOTING AND OWNER SHARE	CARRYING AMOUNT 31.12.2021	RESULT 2021	EQUITY 31.12.2021
GC Rieber Shipping AS	Bergen	100%	0	12 818	9 642
GC Rieber Shipping BV	Netherlands	100%	14 960	-6 466	14 960
Polar Explorer AS	Bergen	100%	0	-14 336	-298 20[illegible]
Polar Ship Invest AS	Bergen	100%	30	0	2[illegible]
Polar Ship Invest II AS	Bergen	100%	26 979	-101 630	138 58[illegible]
Polar Ship Invest III AS	Bergen	100%	0	1 653	-128 92[illegible]
Polarus AS	Bergen	100%	50 000	7 477	302 61[illegible]
Polar Shipping AS	Bergen	100%	1 710	-109	3 538
Total			93 679	-100 594	42 23[illegible]

The investments in GC Rieber Shipping BV were written down with NOK 5.1 million in 2021. Based on an evaluation of future earnings and capital base as of 31.12.2021 for the Company's subsidiaries, the Company has found it necessary to write down receivables from Polar Ship Invest III AS amounting to NOK 24.4 million. For the subsidiaries with functional value in USD, an exchange rate of USD/NOK 8.5904 has been used to convert the result for the year and a rate of USD/NOK 8.8194 has been used to convert equity as at 31.12.21.

NOTE 8 – Other financial assets

GC Rieber Shipping's ownership in Shearwater GeoServices (Shearwater) of 8.5% is booked as a financial asset in accordance with the cost method. Up to and including the first half of 2021 the ownership was 17% and the investment was reported as an investment in associates.

Shearwater operates as a global, customer-focused and technology-driven provider of marine geophysical services. Shearwater owns and operates a large fleet of seismic acquisition vessels, offering a full range of acquisition services including 3D, 4D and ocean bottom seismic. The company also has a portfolio of proprietary streamer technology and processing software enabling effective execution of geophysical surveys and delivery of high-quality data. The company has approximately 800 employees and operates in all major offshore basins across the world. This combination makes Shearwater a leading global and technology-driven full-service provider of marine geophysical services, able to deliver exceptional customer solutions.

On 9 July 2021, GC Rieber Shipping sold shares in Shearwater reducing its ownership from 17.0% to 8.5%, resulting in a profit of NOK 113.0 million.

FIGURES IN NOK 1 000

COMPANY	BUSINESS OFFICE	VOTING AND OWNER SHARE	CARRYING AMOUNT 31.12.2021
Shearwater GeoServices Holding AS	Bergen	8,5%	316 737
Total			316 737

NOTE 9 -Receivables /Liabilities

(NOK 1000)	2021	2020
Loan group account scheme	47 588	49 671
Short-term group receivables	217	408
Total group receivables	47 805	50 079
Deposit group account scheme	252 643	359 927
Total group liabilities	252 643	359 927

None of the short-term receivables or liabilities to the group have maturity later than one year.

Of the main group receivables for 2021, loan group account scheme amounts to NOK 47.8 million and group liabilities NOK 252.6 million.

NOTE 10 – Bank deposits/short-term liabilities to financial institutions

The Company is a part of the GC Rieber Shipping group's multi-currency cash pool system without credit. This implies that the net total of deposits and amounts drawn on the bank deposits related to all the companies in the group account system is positive. As GC Rieber Shipping ASA is the bank's counterpart, the Company is technically the group companies' bank, and has security in all the bank deposits in the cash pool system.

The Company's drawn amounts/deposits in credit institutions including the group account system as at 31.12. consist of:

(NOK 1000)	2021	2020
Cash at banks and on hand	421 241	219 430
Total bank deposits and cash	421 241	219 430

Bank deposits earn interest income based on the banks' prevailing terms at all times. Short-term bank deposits are placed for varying periods from one day to six months depending on the Company's need for liquidity. These deposits earn interest income based on the banks' terms related to short-term deposits.

NOTE 11 – Equity

(NOK 1000)	SHARE CAPITAL	PORTFOLIO OF OWN SHARES	SHARE PREMIUM RESERVE	OTHER EQUITY	TOTAL
Equity as at 01.01.	154 957	-98	286 510	199 286	640 655
Net income for the year	0	0	0	90 655	90 655
Dividend	0	0	0	-148 931	-148 931
Sale of own shares	0	98	0	298	396
Equity as at 31.12.	154 957	0	286 510	141 307	582 775

ORDINARY SHARES:

	NUMBER OF SHARES	PAR VALUE	CARRYING AMOUNT
Share capital	86 087 310	1,80	154 957 158

OWN SHARES:
As at 1 January 2021 the Company had 54,500, i.e 0.06% own shares All shares were sold employees in 2021, and as at 31 December 2021 the Company had no own shares.

DIVIDEND:
Following GC Rieber Shipping's significantly strengthened financial position in 2021, GC Rieber Shipping and its lenders agreed to restore the provisions of the original credit facility agreement and reversed material changes introduced throughout the restructuring period. Specifically, investment and dividend restrictions were removed, and scheduled amortisation with full instalments restored. See note 14 to the consolidated accounts for further details.

23 September 2021, an extraordinary general meeting approved an additional dividend of NOK 1.23 per share on the basis of the company's annual accounts for 2020. The additional dividend, a total of NOK 105.9 million, was paid to the shareholders 5 October 2021.

For the year ended 31. December 2021, the Board has proposed a dividend of NOK 0.50 per share, a total of NOK 43.0 million.

NOTE 12– Earnings per share

Earnings per share is calculated by dividing the net income for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

The Company has no convertible loans or equity instruments and the diluted earnings per share are thus equal to earnings per share.

(NOK 1 000)	90 655	-121 585
NET INCOME FOR THE YEAR		
Time weighted average number of shares applied in the calculation of earnings per share	86 048 936	86 032 810
Number of outstanding shares as at 31.12.	86 087 310	86 032 810
Result per share (NOK)	1,05	-1,41
Diluted earnings per share (NOK)	1,05	-1,41

NOTE 13 – Shareholders' information

NAME	NUMBER OF SHARES	OWNER SHARE
GC Rieber AS	66 145 908	76,8%
AS Javipa	2 003 492	2,3%
GC Rieber Fondet	1 807 255	2,1%
Pareto Aksje Norge	1 478 737	1,7%
Viben AS	1 334 435	1,6%
Celsius AS	1 328 768	1,5%
Trioship Invest AS	1 190 000	1,4%
Delta AS	975 000	1,1%
Solomio AS	850 000	1,0%
Johanne Marie Rieber Martens	786 654	0,9%
Storkleiven AS	750 022	0,9%
Pelicahn AS	685 166	0,8%
Middelboe AS	553 306	0,6%
Benedicte Martens Nes	386 250	0,4%
Triofa 2 AS	278 001	0,3%
Mikkel Martens	225 949	0,3%
Dag Fredrik Jebsen Arnesen	212 000	0,2%
Thorild Marie Rong	210 648	0,2%
Bergen Råvarebørs AS	208 668	0,2%
Tigo AS	186 359	0,2%
Other Shareholders	4 490 692	5,2%
Outstanding shares	86 087 310	100,0%

Of the Group Management, CEO Einar Ytredal holds 40,885 shares, CFO Øystein Kvåle holds 28,900 shares and CCO Christoffer Knudsen holds 11,000 shares in the Group.

At 31.12.2021, GC Rieber AS owns 66 145 908 shares in GC Rieber Shipping ASA, constituting 76.8% of the outstanding shares in the Group. GC Rieber Holding AS, Pelicahn AS and AS Javipa together hold 50% of the shares in GC Rieber AS. Through non-controlling interests in these three companies, the Chairman of the Board, Paul-Christian Rieber, indirectly owns 29.3% of the shares in GC Rieber Shipping ASA.

No other Board members own shares in the Group.

NOTE 14 – Mortgage and guarantees

GC Rieber Shipping ASA has provided guarantees for companies in the group amounting to a total of NOK 411.8 million as at 31 December 2021. These are mortgaged liabilities in the underlying companies which are no longer effective following the sale of Polar Onyx in February 2022. The Company has also provided parent company guaranties of financial support for companies within the Group that has insufficient equity.

NOTE 15 – Contigencies

Earn-out

In December 2021, GC Rieber Shipping received an earn-out of NOK 780 000 as a final settlement related to the sale of shares in Octio in 2012 and 2013.

To the General Meeting of GC Rieber Shipping ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GC Rieber Shipping ASA, which comprise:

- The financial statements of the parent company GC Rieber Shipping ASA (the Company), which comprise the statement of financial position as at 31 December 2021, 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, and
- The consolidated financial statements of GC Rieber Shipping ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, 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, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, 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.

Our opinion is consistent with our additional report to the Audit Committee.

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 and the Group as required by laws and regulations 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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 9 years from the election by the general meeting of the shareholders on 12 April 2013 for the accounting year 2013.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Last year's focus area *Impairment assessment of vessels in the Subsea segment* is no longer current as an agreement to sell the remaining vessel was reached in December 2021. The other focus area last year *Impairment assessment of investment in Shearwater Geoservices Holding AS* remains. As parts of the investment was sold during the year the accounting method changed from using the equity method to using being recognized at fair value. The transaction does not change the fact that valuation of the investment remains an important issue.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investment in Shearwater Geoservices Holding AS GC Rieber Shipping ASA has an investment in 8,5% of the shares in Shearwater Geoservices Holding AS ("Shearwater"), with a total carrying amount of NOK 440 million at 31 December 2021. The investment represents just under a third of the Group's total assets. The investment is accounted for at fair value. We focused on the valuation of this investment because the investment constitutes a substantial share of the total assets, and because the fair value assessment has been subject to judgement from management. When determining the fair value, management assessed inputs such as transactions in the Shearwater shares and valuations performed by external parties.	We obtained management's fair value assessment and considered whether the assessment contained the elements and methodology expected for estimating fair value. We found the assessment to be in accordance with our expectations. The most recent publicly known transaction in the Shearwater shares was a transaction where GC Rieber Shipping AS was involved as the seller. Management has concluded that the valuation implied by the latest significant transaction in the Shearwater shares is considered to represent an appropriate estimate of the fair value of Shearwater. In making this assessment, management has also considered other inputs, including external valuations of Shearwater, and market outlook. We have reviewed the inputs, including the pricing in the last significant transaction, and the external valuations. We also challenged managements assumptions through discussions and the understanding we obtained about Shearwater. Overall, we found the assumptions made by management to be

There is uncertainty related to the valuation of Shearwater, including risk related to the future development of the seismic market. Even minute changes in the underlying assumptions may lead to significant variations in the fair value of *the shares*.We refer to note 10 in the financial statements where management explain their use of judgement and the process to arrive at a value for the investment in Shearwater.

consistent with our understanding of Shearwater and the market in which they operate.

We lastly evaluated the adequacy of the disclosures made in note 10 and found that disclosures appropriately explained management's use of judgement and valuation process.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that 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 to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group 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 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. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group'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 and the Group'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 and the Group 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 a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial

statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Opinion
We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name RISH ESEF 31.12.2021 have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities
Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.

Auditor's Responsibilities
For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Bergen, 18 March 2022
PricewaterhouseCoopers AS

Sturle Døsen
State Authorised Public Accountant

(This document is signed electronically)

Financial Statement GC Rieber Shipping ASA

SHORTCUTS

Letter from the CEO
Corporate Governance
ESG Report 2021
Report of the Board of Directors for 2021
Financial Statement GC Rieber Shipping Group
Financial Statement GC Rieber Shipping ASA
Auditor's Report

Income Statement

GC RIEBER SHIPPING ASA

(NOK 1000)	NOTE	2021	2020
OPERATING INCOME			
Operating income		0	0
Total operating income		0	0
OPERATING EXPENSES			
Administration expenses	3,4,5	-8 438	-8 639
Total operating expenses		-8 438	-8 639
Earnings before interests, taxes, depreciations and amortisations (EBITDA)		-8 438	-8 639
Net operating income		-8 438	-8 639
FINANCIAL INCOME AND EXPENSE			
Sale of shares in subsidiaries	8	113 045	0
Write-down investment in subsidiary	7	-5 141	-7 865
Write-down receivables in subsidiary	7	-24 435	-104 376
Financial income		4 170	6 035
Financial expenses		-71	-43
Financial expenses subsidiaries		0	0
Realized currency gains (losses)		2 505	4 222
Unrealized currency gains (losses)		9 019	-10 920
Net financial income and expenses		99 092	-112 946
Net income before taxes		90 655	-121 585
Taxes	6	0	0
Net income of the year	11	90 655	-121 585
ALLOCATION OF NET LOSS/PROFIT			
Allocation of Net Loss/Profit	11	47 612	121 585
Dividend	11	43 044	0
Transferred from Other Equity	7		
Total allocation		90 655	121 585

Statement of Financial Position - Assets

GC RIEBER SHIPPING ASA

(NOK 1000)	NOTE	31.12.2021	31.12.2020
FIXED ASSETS			
Investments in subsidiaries	7	93 679	98 820
Other financial assets	8, 14	316 737	633 329
Total financial fixed assets		410 416	732 149
Total fixed assets		410 416	732 149
CURRENT ASSETS			
Receivables from subsidiaries	9	47 805	50 079
Other current assets		140	178
Total receivables		47 945	50 257
Cash and cash equivalents	10	421 241	219 430
Total current assets		469 186	269 687
Total assets		879 602	1 001 836

SHORTCUTS

Statement of Financial Position - Equity and Liabilities

GC RIEBER SHIPPING ASA

(NOK 1000)	NOTE	31.12.2021	31.12.2020
EQUITY AND LIABILITIES			
EQUITY			
Share capital (86,087,310 shares at NOK 1.80)	11,12,13	154 957	154 957
Portfolio of own shares (54,500 shares at NOK 1.80)	11	0	-98
Share premium	11	286 510	286 510
Paid in capital		441 468	441 369
Other equity	11	141 307	199 286
Total retained earnings		141 307	199 286
Total equity		582 775	640 655
LIABILITIES			
Trade payables		0	113
Dividend	11	43 044	0
Liabilities to subsidiaries	9	252 643	359 927
Other current liabilities		1 141	1 141
Total current liabilities		296 828	361 181
Total liabilities		296 828	361 181
Total equity and liabilities		879 602	1 001 836

Bergen 18 March 2022
The Board of Directors of GC Rieber Shipping ASA

Paul-Chr. Rieber Chairman	Morten Foros Krohnstad Vice Chairman	Birthe Cecilie Lepsøe Board Member
Pål Selvik Board Member	Ingrid von Streng Velken Board Member	Einar Ytredal CEO

Cash Flow Statement

GC RIEBER SHIPPING ASA

(NOK 1000)	NOTE	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES			
Net income before taxes		90 655	-121 585
Write-down investments in subsidiaries	7	5 141	7 865
Write-down on receivables	7	24 435	104 376
Exchange differences		-9 019	10 920
Profit on sale of shares in associated companies	8	-113 045	0
Change in accounts payable		-113	91
Change in receivables from subsidiaries		-129 445	48 475
Change in other current assets and other liabilities		36	995
Net paid interests		41	13
Net cash flow from operating activities		-131 314	51 150
CASH FLOW FROM INVESTMENT ACTIVITIES			
Payments from sale of financial fixed assets		440 092	0
Payments for investments in financial fixed assets		-10 455	0
Net cash flow from investment activities		429 637	0
CASH FLOW FROM FINANCING ACTIVITIES			
Sale of own shares	11	396	0
Dividend payment	11	-105 887	0
Net paid interests		-41	-13
Net cash flow from financing activities		-105 532	-13
Net change cash and cash equivalents		192 791	51 137
Cash and cash equivalents at 01.01.		219 430	179 212
Currency gains (losses) on cash and cash equivalents		9 019	-10 920
Cash and cash equivalents at 31.12.	10	421 241	219 430

Notes to the Consolidated Financial Statements

GC RIEBER SHIPPING ASA

NOTE 1 - Corporate information

GC Rieber Shipping ASA (the "Company") is a listed public limited company registered in Norway. The corporate head office is located at Solheimsgaten 15, 5058 Bergen, Norway.

The financial statements were authorised for issue by the Board of Directors on 18. March 2022.

NOTE 2 – Accounting principles

The financial statements are prepared in accordance with the Norwegian Generally Accepted Accounting Principles (NGAAP) as set out in the Norwegian Accounting Act of 1998. The accounting principles are described below.

Classification of assets and liabilities in the balance sheet
Assets intended for permanent ownership or use and receivables due later than one year after the balance sheet date are classified as fixed assets. Other assets are classified as current assets. Liabilities due later than one year after the balance sheet date are classified as long-term debt. Other liabilities are classified as short-term debt.

Investments in subsidiaries, associated companies and other investments
Investments in subsidiaries and associated companies are valued in accordance with the cost method. If fair value is lower than cost, and the fall in value is not considered to be temporary, the investment will be valued at fair value.

Receivables and liabilities in foreign currency
Receivables and liabilities in a foreign currency are translated into NOK using the exchange rate at the balance sheet date. Realised and unrealised gains and losses are classified as financial items.

Receivables
Receivables are valued at the lower of their nominal value and fair value.

Cash and bank deposits
Cash and bank deposits, etc. include bank deposits, cash in hand and short-term bank deposits with an original maturity of three months or less. In some cases, the company also enters into contracts for short-term deposits with maturity exceeding three months. Per 31.12.2021, there are no deposits with maturity exceeding three months.

Contingencies
Contingent losses are recognised as expense if they are probable and can be reliably measured. Contingent gains that are probable and contingent losses that are less probable, are not recognised but disclosed in the annual report or in the accompanying notes.

Taxes
Tax expenses are related to profit before tax and are expensed for when they incur. The tax expense consists of tax payable (tax on taxable income for the year) and change in net deferred tax. The tax expense is allocated to ordinary profit and extra-ordinary profit in accordance with the basis for the taxes.

Deferred tax liability and deferred tax assets are presented net in the balance sheet. The disclosure of deferred tax benefits on net tax reducing differences and carry forward losses, is based on estimated future earnings.

Cash flow statement
The Company's cash flow statement shows the Company's consolidated cash flows distributed between operating activities, investment activities and financing activities. The statement shows the impact of the different activities on the Company's cash and cash equivalents. The cash flow statement is presented based on the indirect method.

NOTE 3 – Payroll expences, number of employees, remunerations to board and auditor

The Company has no employees, but CEO is contracted from the subsidiary GC Rieber Shipping AS. The CEO has not received any remuneration from GC Rieber Shipping ASA as the salary has been provided from the subsidiary GC Rieber Shipping AS. No agreement has been entered into with the Chairman of the Board with regards to special payments upon the termination or change of his employment. There exist no agreements that give employees or representatives entitlement to subscribe for or purchase or sell shares in the Company.

The Group's guidelines on remuneration to leading personnel and the renumeration report for 2021 can be found in www.gcrieber-shipping.no.

(NOK 1000)	SALARY	OTHER BENEFITS	PENSION PREMIUM	TOTAL REMUNERATION
MANAGEMENT REMUNERATION 2021				
Einar Ytredal, CEO	3 764	21	376	4 160
Øystein Kvåle, CFO	1 627	15	172	1 815
Christoffer Knudsen, CCO	2 001	16	184	2 201
Total management remuneration	7 391	51	732	8 174

SHORTCUTS

(NOK 1000)	SALARY	OTHER BENEFITS	PENSION PREMIUM	TOTAL REMUNERATION
MANAGEMENT REMUNERATION 2020				
Einar Ytredal, CEO	2 479	20	317	2 816
Øystein Kvåle, CFO	1 526	17	111	1 653
Christoffer Knudsen, CCO	1 782	22	111	1 914
Bjørn Valberg, Technical Director	1 168	12	62	1 242
Jan Renè Myran, COO (until October 2020)	1 258	11	100	1 370
Eilert Nøttingnes, Head of QHSE (until October 2020)	872	12	52	936
Benedicte Breistein, Head of Crewing (until October 2020)	619	14	39	672
Total management remuneration	9 704	108	792	10 603

(NOK 1000)	DIRECTORS' FEES 2021	DIRECTORS' FEES 2020
BOARD REMUNERATION		
Paul-Chr. Rieber, chairman (incl. audit committee until April 2021)	325	300
Morten Foros Krohnstad, vice-chairman	225	200
Birthe Lepsøe (incl. audit comittee from April 2021)	167	0
Pål Selvik (incl. audit committee from April 2021)	150	0
Ingrid von Streng Velken (from April 2021)	117	0
Trygve Bruland (incl. audit committee until April 2021)	75	200
Bodil Valland Steinhaug (until April 2021)	58	150
Tove Lunde (until October 2020)	0	113
Total Board remuneration	1 117	963

(NOK 1000)	2021	2020
Audit services	367	368
Tax consulting	0	0
Other services	38	0
Total auditor's fees	405	368

NOTE 4 – Specification of operating expenses by category

(NOK 1 000)	2021	2020
Board remuneration incl. social security tax	1 098	1 28[illegible]
Auditor's fees	436	36[illegible]
Management fee to GC Rieber Shipping AS	5 000	5 75[illegible]
Legal fees	942	56[illegible]
Consultancy fee	119	71[illegible]
Return on bad debts	0	-65[illegible]
Other administration expenses	842	62[illegible]
Total operating expenses	8 438	8 63[illegible]

NOTE 5 – Transactions with related parties

The Company has entered into an agreement with GC Rieber Shipping AS to purchase administrative services. Yearly management fee is NOK 5.0 million. Reference is made to note 12 for other transactions with related parties.

Guarantee commission revenue on guaranteed bank loans in Polar Ship Invest II AS and Polar Ship Invest III AS amounts to NOK 1.1 million.

NOTE 6 – Taxes

(NOK 1000)	2021	2020
Net income before taxes	90 655	-121 585
PERMANENT DIFFERENCES:		
Write-down receivable and investment in subsidiary	29 576	112 241
Sale of shares	-113 045	0
TEMPORARY DIFFERENCES:		
Change profit and loss account	14	3
Tax losses carried forward	-7 199	0
Basis for taxes for the year	0	-9 340
Payable income tax (22%)	0	0
Net income before taxes	90 655	-121 585

(NOK 1000)	2021	2020
Calculated tax, nominal rate 22%	19 944	-26 749
Change in deferred tax asset not recognised in balance sheet	-1 581	2 056
Permanent differences	-18 363	24 693
Tax expense/-income	0	0
Profit and loss accont	0	14
Carry forward loss for tax purposes	-262 545	-269 745
Basis for calculation of deferred tax	-262 545	-269 731
Tax rate	22%	22%
Calculated deferred tax/deferred tax asset	-57 760	-59 341
Deferred tax asset not recognised in the balance sheet	57 760	59 341
Deferred tax/deferred tax asset in the balance sheet	0	0

NOTE 7 – Investments in subsidiaries

(NOK 1 000)

SUBSIDIARY:	BUSINESS OFFICE	VOTING AND OWNER SHARE	CARRYING AMOUNT 31.12.2021	RESULT 2021	EQUITY 31.12.2021
GC Rieber Shipping AS	Bergen	100%	0	12 818	9 64[illegible]
GC Rieber Shipping BV	Netherlands	100%	14 960	-6 466	14 960
Polar Explorer AS	Bergen	100%	0	-14 336	-298 20[illegible]
Polar Ship Invest AS	Bergen	100%	30	0	2[illegible]
Polar Ship Invest II AS	Bergen	100%	26 979	-101 630	138 58[illegible]
Polar Ship Invest III AS	Bergen	100%	0	1 653	-128 92[illegible]
Polarus AS	Bergen	100%	50 000	7 477	302 61[illegible]
Polar Shipping AS	Bergen	100%	1 710	-109	3 538
Total			93 679	-100 594	42 23[illegible]

The investments in GC Rieber Shipping BV were written down with NOK 5.1 million in 2021. Based on an evaluation of future earnings and capital base as of 31.12.2021 for the Company's subsidiaries, the Company has found it necessary to write down receivables from Polar Ship Invest III AS amounting to NOK 24.4 million. For the subsidiaries with functional value in USD, an exchange rate of USD/NOK 8.5904 has been used to convert the result for the year and a rate of USD/NOK 8.8194 has been used to convert equity as at 31.12.21.

NOTE 8 – Other financial assets

GC Rieber Shipping's ownership in Shearwater GeoServices (Shearwater) of 8.5% is booked as a financial asset in accordance with the cost method. Up to and including the first half of 2021 the ownership was 17% and the investment was reported as an investment in associates.

Shearwater operates as a global, customer-focused and technology-driven provider of marine geophysical services. Shearwater owns and operates a large fleet of seismic acquisition vessels, offering a full range of acquisition services including 3D, 4D and ocean bottom seismic. The company also has a portfolio of proprietary streamer technology and processing software enabling effective execution of geophysical surveys and delivery of high-quality data. The company has approximately 800 employees and operates in all major offshore basins across the world. This combination makes Shearwater a leading global and technology-driven full-service provider of marine geophysical services, able to deliver exceptional customer solutions.

On 9 July 2021, GC Rieber Shipping sold shares in Shearwater reducing its ownership from 17.0% to 8.5%, resulting in a profit of NOK 113.0 million.

FIGURES IN NOK 1 000

COMPANY	BUSINESS OFFICE	VOTING AND OWNER SHARE	CARRYING AMOUNT 31.12.2021
Shearwater GeoServices Holding AS	Bergen	8,5%	316 737
Total			316 737

NOTE 9 -Receivables /Liabilities

(NOK 1000)	2021	2020
Loan group account scheme	47 588	49 671
Short-term group receivables	217	408
Total group receivables	47 805	50 079
Deposit group account scheme	252 643	359 927
Total group liabilities	252 643	359 927

None of the short-term receivables or liabilities to the group have maturity later than one year.

Of the main group receivables for 2021, loan group account scheme amounts to NOK 47.8 million and group liabilities NOK 252.6 million.

NOTE 10 – Bank deposits/short-term liabilities to financial institutions

The Company is a part of the GC Rieber Shipping group's multi-currency cash pool system without credit. This implies that the net total of deposits and amounts drawn on the bank deposits related to all the companies in the group account system is positive. As GC Rieber Shipping ASA is the bank's counterpart, the Company is technically the group companies' bank, and has security in all the bank deposits in the cash pool system.

The Company's drawn amounts/deposits in credit institutions including the group account system as at 31.12. consist of:

(NOK 1000)	2021	2020
Cash at banks and on hand	421 241	219 430
Total bank deposits and cash	421 241	219 430

Bank deposits earn interest income based on the banks' prevailing terms at all times. Short-term bank deposits are placed for varying periods from one day to six months depending on the Company's need for liquidity. These deposits earn interest income based on the banks' terms related to short-term deposits.

NOTE 11 – Equity

(NOK 1000)	SHARE CAPITAL	PORTFOLIO OF OWN SHARES	SHARE PREMIUM RESERVE	OTHER EQUITY	TOTAL
Equity as at 01.01.	154 957	-98	286 510	199 286	640 655
Net income for the year	0	0	0	90 655	90 655
Dividend	0	0	0	-148 931	-148 931
Sale of own shares	0	98	0	298	396
Equity as at 31.12.	154 957	0	286 510	141 307	582 775

ORDINARY SHARES:

	NUMBER OF SHARES	PAR VALUE	CARRYING AMOUNT
Share capital	86 087 310	1,80	154 957 158

OWN SHARES:
As at 1 January 2021 the Company had 54,500, i.e 0.06% own shares All shares were sold employees in 2021, and as at 31 December 2021 the Company had no own shares.

DIVIDEND:
Following GC Rieber Shipping's significantly strengthened financial position in 2021, GC Rieber Shipping and its lenders agreed to restore the provisions of the original credit facility agreement and reversed material changes introduced throughout the restructuring period. Specifically, investment and dividend restrictions were removed, and scheduled amortisation with full instalments restored. See note 14 to the consolidated accounts for further details.

23 September 2021, an extraordinary general meeting approved an additional dividend of NOK 1.23 per share on the basis of the company's annual accounts for 2020. The additional dividend, a total of NOK 105.9 million, was paid to the shareholders 5 October 2021.

For the year ended 31. December 2021, the Board has proposed a dividend of NOK 0.50 per share, a total of NOK 43.0 million.

NOTE 12– Earnings per share

Earnings per share is calculated by dividing the net income for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

The Company has no convertible loans or equity instruments and the diluted earnings per share are thus equal to earnings per share.

(NOK 1 000)	90 655	-121 585
NET INCOME FOR THE YEAR		
Time weighted average number of shares applied in the calculation of earnings per share	86 048 936	86 032 810
Number of outstanding shares as at 31.12.	86 087 310	86 032 810
Result per share (NOK)	1,05	-1,41
Diluted earnings per share (NOK)	1,05	-1,41

NOTE 13 – Shareholders' information

NAME	NUMBER OF SHARES	OWNER SHARE
GC Rieber AS	66 145 908	76,8%
AS Javipa	2 003 492	2,3%
GC Rieber Fondet	1 807 255	2,1%
Pareto Aksje Norge	1 478 737	1,7%
Viben AS	1 334 435	1,6%
Celsius AS	1 328 768	1,5%
Trioship Invest AS	1 190 000	1,4%
Delta AS	975 000	1,1%
Solomio AS	850 000	1,0%
Johanne Marie Rieber Martens	786 654	0,9%
Storkleiven AS	750 022	0,9%
Pelicahn AS	685 166	0,8%
Middelboe AS	553 306	0,6%
Benedicte Martens Nes	386 250	0,4%
Triofa 2 AS	278 001	0,3%
Mikkel Martens	225 949	0,3%
Dag Fredrik Jebsen Arnesen	212 000	0,2%
Thorild Marie Rong	210 648	0,2%
Bergen Råvarebørs AS	208 668	0,2%
Tigo AS	186 359	0,2%
Other Shareholders	4 490 692	5,2%
Outstanding shares	86 087 310	100,0%

Of the Group Management, CEO Einar Ytredal holds 40,885 shares, CFO Øystein Kvåle holds 28,900 shares and CCO Christoffer Knudsen holds 11,000 shares in the Group.

At 31.12.2021, GC Rieber AS owns 66 145 908 shares in GC Rieber Shipping ASA, constituting 76.8% of the outstanding shares in the Group. GC Rieber Holding AS, Pelicahn AS and AS Javipa together hold 50% of the shares in GC Rieber AS. Through non-controlling interests in these three companies, the Chairman of the Board, Paul-Christian Rieber, indirectly owns 29.3% of the shares in GC Rieber Shipping ASA.

No other Board members own shares in the Group.

NOTE 14 – Mortgage and guarantees

GC Rieber Shipping ASA has provided guarantees for companies in the group amounting to a total of NOK 411.8 million as at 31 December 2021. These are mortgaged liabilities in the underlying companies which are no longer effective following the sale of Polar Onyx in February 2022. The Company has also provided parent company guaranties of financial support for companies within the Group that has insufficient equity.

NOTE 15 – Contigencies

Earn-out

In December 2021, GC Rieber Shipping received an earn-out of NOK 780 000 as a final settlement related to the sale of shares in Octio in 2012 and 2013.

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To the General Meeting of GC Rieber Shipping ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GC Rieber Shipping ASA, which comprise:

- The financial statements of the parent company GC Rieber Shipping ASA (the Company), which comprise the statement of financial position as at 31 December 2021, 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, and
- The consolidated financial statements of GC Rieber Shipping ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, 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, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, 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.

Our opinion is consistent with our additional report to the Audit Committee.

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 and the Group as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

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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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 9 years from the election by the general meeting of the shareholders on 12 April 2013 for the accounting year 2013.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Last year's focus area *Impairment assessment of vessels in the Subsea segment* is no longer current as an agreement to sell the remaining vessel was reached in December 2021. The other focus area last year *Impairment assessment of investment in Shearwater Geoservices Holding AS* remains. As parts of the investment was sold during the year the accounting method changed from using the equity method to using being recognized at fair value. The transaction does not change the fact that valuation of the investment remains an important issue.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investment in Shearwater Geoservices Holding AS GC Rieber Shipping ASA has an investment in 8,5% of the shares in Shearwater Geoservices Holding AS ("Shearwater"), with a total carrying amount of NOK 440 million at 31 December 2021. The investment represents just under a third of the Group's total assets. The investment is accounted for at fair value. We focused on the valuation of this investment because the investment constitutes a substantial share of the total assets, and because the fair value assessment has been subject to judgement from management. When determining the fair value, management assessed inputs such as transactions in the Shearwater shares and valuations performed by external parties.	We obtained management's fair value assessment and considered whether the assessment contained the elements and methodology expected for estimating fair value. We found the assessment to be in accordance with our expectations. The most recent publicly known transaction in the Shearwater shares was a transaction where GC Rieber Shipping AS was involved as the seller. Management has concluded that the valuation implied by the latest significant transaction in the Shearwater shares is considered to represent an appropriate estimate of the fair value of Shearwater. In making this assessment, management has also considered other inputs, including external valuations of Shearwater, and market outlook. We have reviewed the inputs, including the pricing in the last significant transaction, and the external valuations. We also challenged managements assumptions through discussions and the understanding we obtained about Shearwater. Overall, we found the assumptions made by management to be

There is uncertainty related to the valuation of Shearwater, including risk related to the future development of the seismic market. Even minute changes in the underlying assumptions may lead to significant variations in the fair value of *the shares*.We refer to note 10 in the financial statements where management explain their use of judgement and the process to arrive at a value for the investment in Shearwater.	consistent with our understanding of Shearwater and the market in which they operate. We lastly evaluated the adequacy of the disclosures made in note 10 and found that disclosures appropriately explained management's use of judgement and valuation process.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that 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 to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group 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 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. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group'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 and the Group'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 and the Group 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 a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial

statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Opinion

We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name RISH ESEF 31.12.2021 have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities

Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Bergen, 18 March 2022
PricewaterhouseCoopers AS

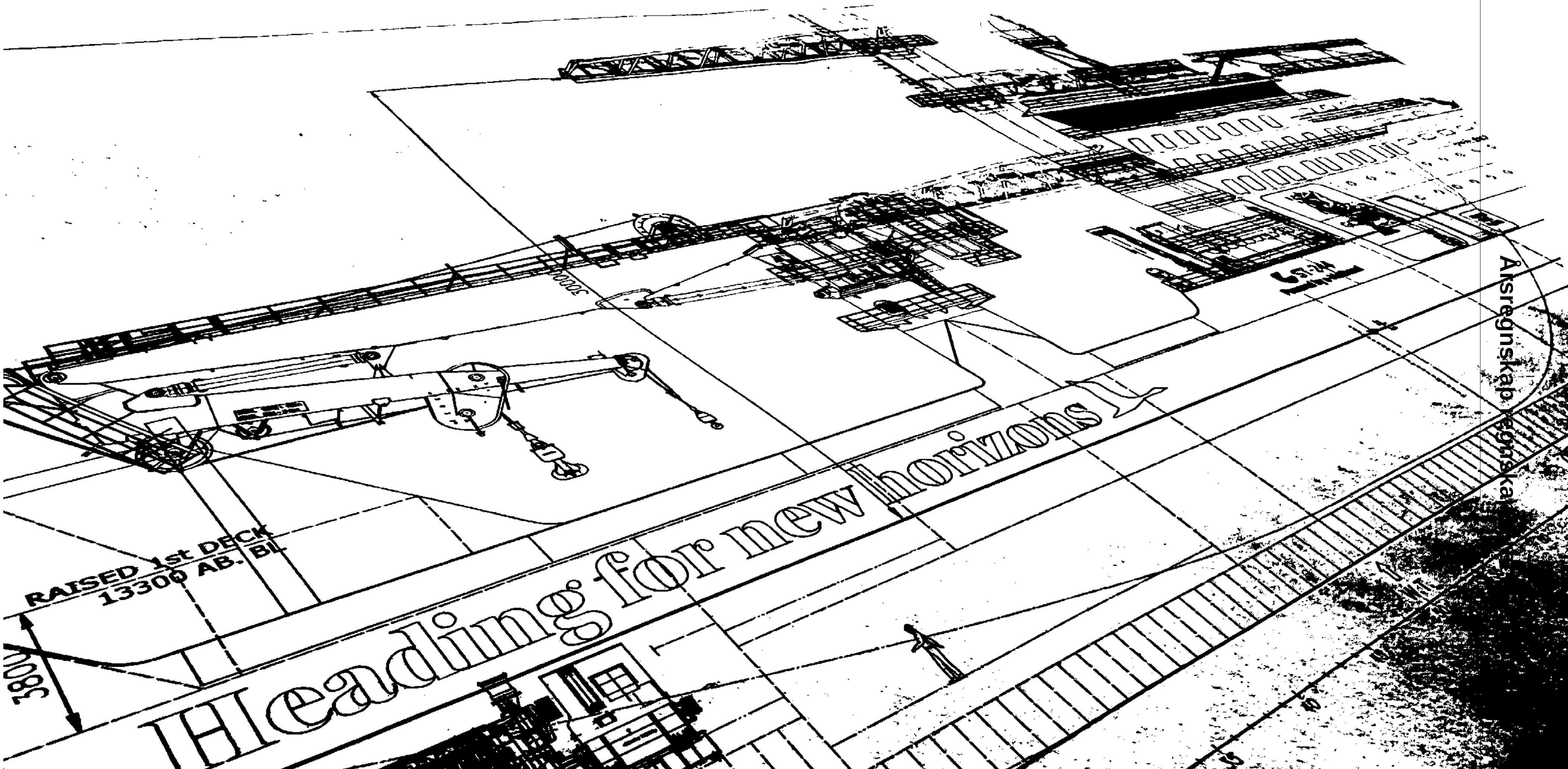
Sturle Døsen
State Authorised Public Accountant

(This document is signed electronically)

Annual Report 2021

GC Rieber Shipping

GC RIEBER



Letter from the CEO

For GC Rieber Shipping, the last seven years have been a journey of change. Significant efforts have been made and we are now ready for new sustainable and profitable investments.

The journey of change began with the sharp drop in oil prices in 2014, which led to significant challenges for the entire shipping and offshore industry. The challenging times resulted in a need for numerous restructurings and new constellations in the sector.

For GC Rieber Shipping, the period has been both demanding and eventful. Among other things, we led the establishment of Shearwater, which in a few years has become the world's largest seismic company. In 2020, we made a strategic decision to lessen our oil exposure, reduce our debt obligations and at the same time turn our core activity towards renewable energy at sea. As part of this new direction, we divested our Subsea & Renewables fleet and realised half of our shareholding in Shearwater. Furthermore, we have gone from being a fully integrated shipping company to becoming a project house, and from having about NOK 3 billion in debt in 2015 to being a debt-free shipping company in the first quarter of 2022.

Our strategy is to be a project house that owns ships and develops and invests in profitable and sustainable maritime projects. As of 31.12.2021, we are nine employees, half of whom are dedicated to the development of new projects. Our project department has extensive expertise in marine architecture and project management of newbuildings and has a long history of turning demanding projects into high-quality vessels. Building on our strong legacy of handling complex customer requirements and technologies, we are uniquely positioned to develop tailored, innovative and sustainable solutions for customers worldwide.

Historically, we have developed a wide array of projects within subsea, ice/research and seismic. Going forward, we will have a special focus on environmentally and financially sustainable project development within niches where we can make a difference. GC Rieber Shipping's approach is that new ship designs should, as far as possible, be based on solving a ship's tasks in the most efficient way, but at the same time as safe and gentle as possible to people and the environment. A lowest possible climate footprint throughout a ship's lifetime is an important condition for the development of our new projects.

Entering 2022, we can safely conclude the turnaround has been completed and the new course is set. With a highly competent and forward leaning organization and with strong financials we are in a good position to pursue new and exciting sustainable maritime opportunities.

GC Rieber Shipping's management team. From the left: CEO Einar Ytredal, CCO Christoffer Knudsen and CFO Øystein Kvåle.

Foto: C Foto / Camilla Waage Helmersberg

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Corporate Governance

Corporate governance

GC Rieber Shipping (the "Company") aims to exercise good, prudent corporate governance. Good corporate governance is mainly about clarifying the division of roles between the owners, Board of Directors and management beyond the statutory requirements. Furthermore, it is about treating the shareholders equally, taking care of other stakeholders through ensuring the best possible value creation and reducing business risk. Good corporate governance should also contribute to the most efficient and proper use of the Company's resources.

1. REPORT ON CORPORATE GOVERNANCE

Compliance
The Board of Directors of GC Rieber Shipping has the overall responsibility for ensuring good corporate governance of the Company.

GC Rieber Shipping ASA is a Norwegian public limited liability company listed on Oslo Stock Exchange (Oslo Børs). Section 3-3b of the Norwegian Accounting Act relating to corporate governance requires the Company to issue an annual report on its principles and practice for corporate governance. These provisions also state minimum requirements for the content of this report.

The Norwegian Corporate Governance Board (NCGB) has issued the Norwegian Code of Practice for Corporate Governance (the "Code of Practice"). Adherence to the Code of Practice is based on the "comply or explain" principle, which means that a company must comply with all recommendations of the Code of Practice or explain why it has chosen an alternative approach to specific recommendations.

Oslo Børs requires listed companies to publish an annual statement of their policy on corporate governance in accordance with the current Code of Practice. The rules on Continuing Obligations of listed companies are available on www.oslobors.no.

GC Rieber Shipping complies with the current Code of Practice that was issued on 14 October 2021. The Code of Practice is available at www.nues.no. The Company provides a report on its corporate governance principles in its annual report and the information is available at www.gcrieber-shipping.com. The Company follows the Code of Practice and any deviations are explained in the report.

2. BUSINESS
GC Rieber Shipping's business is defined in Article 1 of the Company's articles of association, which reads as follows:

"The name of the company is GC Rieber Shipping ASA. The company is a public limited liability company whose object is to engage in shipping, investment, provision of guarantees, trade and other business. The company's registered office is located in the municipality of Bergen."

The Board of Directors has established strategies, objectives and a risk profile within the defined scope of its business to create value for its shareholders in a sustainable manner, taking financial, social and environmental interests into

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consideration. The strategies, objectives and risk profile are subject to annual review of the Board of Directors and described in the annual report and on www.gcrieber-shipping.com.

Basic corporate values, ethical guidelines and social responsibility
Ethical guidelines, basic corporate values and guidelines for corporate social responsibility have been established for the GC Rieber group, and GC Rieber Shipping follows the group's guidelines.

The guidelines provide general principles for business practice and personal behaviour and are intended to form a platform for the attitudes and basic vision that should permeate the culture in the GC Rieber group, and how these relate to the value creation by the Company.

In 2010, GC Rieber joined the UN Global Compact, the world's largest corporate social responsibility initiative. UN Global Compact has developed ten universal principles that encourage and show how companies should pay attention to employee and human rights, protection of the environment and combating corruption. By joining the initiative, GC Rieber has committed itself to making the ten principles an integral part of its business strategy, to promote the principles to business partners and to reporting activities and improvements associated with the ten principles.

GC Rieber Shipping issues a separate report on environmental practises, corporate social responsibility and corporate governance (ESG) annually, published in the Company's annual report.

More detailed information relating to the Company's and the GC Rieber group's vision, strategy, values and principles is available at www.gcrieber-shipping.com and www.gcrieber.no.

3. EQUITY AND DIVIDENDS

Equity
As at 31 December 2021, the Company's book equity was NOK 1,213.2 million, which is equivalent to 70.8% of the total assets. The Board of Directors has a policy to have above 35% equity at any time, but the actual equity ratio will vary from time to time due to market circumstances. The Board of Directors considers the equity ratio as at 31 December 2021 to be acceptable. The Company's need for financial soundness and liquidity should be adapted to its objectives, strategy and risk profile.

Dividend policy
The Company's objective is to provide a competitive return on the shareholders' invested capital through payment of a dividend and appreciation of the share price. In considering the scope of the dividend, the Board of Directors emphasises the Company's capacity to pay dividends, the need to have a healthy level of equity and to have adequate financial resources for future growth and investments, while allowing for extraordinary dividends when capitalising on investments.

Following the financial restructuring of the Company in March 2018, no dividend payments or other distributions from the Company were to be made without the prior consent of the lenders. However, the Company`s lenders had consented to the following: 24% of potential dividends from the shares of Shearwater GeoServices Holding AS or 24% of potential proceeds from the sale of such shares in whole or in part, could be distributed to the shareholders of the Company by way of dividends, a share capital reduction or any other manner deemed appropriate by the Company.

Following GC Rieber Shipping's significantly strengthened financial position through 2021, GC Rieber Shipping and its lenders agreed to restore the provisions of the original credit facility agreements and to reverse material changes introduced throughout the restructuring period. Hereunder, the removal of dividend restrictions.

23 September 2021, an extraordinary general meeting approved an additional dividend of NOK 1.23 per share on the basis of the Company's annual accounts for 2020. The

additional dividend, a total of NOK 105.9 million, was paid to the shareholders 5 October 2021.

The Board of Directors proposes to the general meeting a dividend of NOK 0.50 per share on the basis of the Company's annual accounts for 2021.

Capital increase
Authorisations granted to the Board of Directors to increase the Company's share capital shall normally be restricted to specific purposes. As at 31.12.2021 there were no such authorisations granted to the Board of Directors.

Purchase of own shares
The general meeting may grant the Board of Directors a mandate to purchase up to 10 percent of own shares. As at 31 December 2021, there was no such mandate to the Board of Directors regarding purchase of own shares.

4. EQUAL TREATMENT OF SHAREHOLDERS

Equal treatment
GC Rieber Shipping has only one class of shares, and purchase and sale of the shares shall take place over the stock exchange.

The articles of association include no limitations relating to voting rights. All shares have equal rights.

Transactions in own shares
The Company's transactions in own shares are carried out over the stock exchange or by other means at market price. Should there be an increase in capital which involves a waiver of the existing shareholders' pre-emptive rights, and the Board of Directors resolves to carry out such an increase on the basis of a mandate granted by the general meeting, the Board of Directors will explain the justification for waiving the pre-emptive rights in the stock exchange announcement.

Transactions with close associates
The Company's Board of Directors and management are committed to promoting equal treatment of all shareholders.

The Company has one main shareholder, GC Rieber AS, owning 76.8% of the shares as at 31 December 2021.

Any services from the main shareholder are purchased at documented market price.

5. FREELY NEGOTIABLE SHARES

The Company has only one class of shares. All shares in the Company are freely negotiable.

6. GENERAL MEETING

About the general meeting
The general meeting is the Company's supreme authority and the Board of Directors aims to ensure that the general meeting is an efficient meeting place.

Notice of meeting
The general meeting will usually be held by 30 April each year at the Company's offices, or as a hybrid meeting if shareholders request to participate electronically. The general meeting in 2022 will be held on 21 April.

Notice of the general meeting is usually sent with 21 days' notice. At the same time, the agenda papers will be published on the Company's website, cf. Article 5-g of the Articles of Association.

The notice of the general meeting must contain all necessary information so that the shareholders can decide on the issues to be addressed. The registration deadline for the general meeting will be as close to the general meeting as practically possible.

All shareholders registered in the Norwegian Registry of Securities (VPS) will receive a notice of meeting and are entitled to submit proposals and vote directly or via proxy. The financial calendar will be available on the Company's website.

Registration and proxy
Registration should be made in writing, either via mail or e-mail. The Board of Directors wants to facilitate so that as many shareholders as possible are able to participate. Shareholders who are unable to attend in person, are encouraged to appoint a proxy. A special proxy form is available which facilitates separate voting instructions for each issue to be considered by the general meeting and for each of the candidates nominated for election. The Company will nominate one or more persons to vote as proxy for shareholders.

The Chairman of the Board will, and other Board members may, attend the general meeting. The CEO and CFO participate on behalf of the Company, and representatives from the auditor will also participate in the meeting.

Agenda and implementation
The agenda is determined by the Board of Directors. The main items are pursuant to the requirements in the Public Limited Liability Companies Act and Article 7 of the Articles of Association.

The general meeting is able to elect an independent person to chair the meeting.

The minutes of the general meeting are published via a stock exchange announcement and are available at www.gcrieber-shipping.com.

In 2021, the general meeting was held on 21 April and 89% of the total share capital was represented. A total of 26 shareholders were present or represented by proxy.

7. NOMINATION COMMITTEE
Nomination of Board members up for election at the general meeting shall take place through an open dialogue between the largest shareholders. Based on the Company's good experience with such a process and an assessment of the composition of the owners, the Company has decided not to use a nomination committee. This is a deviation from NUES' recommendation.

8. THE BOARD OF DIRECTORS – COMPOSITION AND INDEPENDENCE

Composition of the Board of Directors
Pursuant to the Company's articles of association, the Board of Directors shall consist of 5-7 members who are elected by the general meeting for two years at a time. The Chairman of the Board and the Deputy Chairman are elected by the general meeting. The Board of Directors currently comprises 5 members, of which 2 are female.

The Board of Directors has been elected on the basis of an overall assessment in which competence, experience and integrity are important criteria. An overview of Board members' competence, background and shareholding in the Company is available on the Company's website www.gcrieber-shipping.com.

The Board of Directors' independence
Executive management shall not be members of the Board of Directors.

The Chairman of the Board, Paul-Christian Rieber is CEO and Board member Pål Selvik is CFO of GC Rieber AS, which is the largest shareholder in the Company with 76.8% of the shares.

At 31.12.2021, GC Rieber AS owns 66 145 908 shares in GC Rieber Shipping ASA, constituting 76.8% of the outstanding shares in the Company. GC Rieber Holding AS, Pelicahn AS and AS Javipa together hold 50% of the shares in GC Rieber AS. Through non-controlling interests in these three companies, the Chairman of the Board, Paul-Christian Rieber, indirectly owns 29.3% of the shares in GC Rieber Shipping ASA.

No other Board members have direct or indirect ownership interests in the Company.

The remaining three Board members are regarded as independent of the Company's main shareholder and significant business relations.

9. THE WORK OF THE BOARD OF DIRECTORS

The Board of Directors' duties

The Board of Directors has overall responsibility for management of GC Rieber Shipping and also for supervising the day-today management and the Company's operations. This involves developing the Company's strategy and making sure that it is implemented. The Board of Directors is also responsible for control functions to ensure that the Company has proper operations as well as a responsible asset and risk management.

Instructions for the Board of Directors

Pursuant to the provisions of the Norwegian Public Limited Liability Companies Act, the Board of Directors has established instructions for the Board of Directors that provide detailed regulations and guidelines for the Board of Directors' work and executive work.

The Board of Directors shall ensure that members of the Board of Directors and executive personnel make the Company aware of any material interests that they may have in items to be considered by the Board of Directors.

Instructions for the CEO

A clear division of responsibilities and tasks has been established between the Board of Directors and executive management.

Agreements with related parties

The Company carries out purchase and sales transactions with close associates as part of the normal business operations. All agreements entered into between the Company and its main shareholders (including related companies), and also other business agreements are, and must be, entered into on arm's length terms. Reference is made to note 17 in the Company's 2021 annual accounts, where transactions with close associates are outlined.

Financial reporting

The Board of Directors receives periodic reports with comments on the Company's financial status. As far as interim reports are concerned, the Company follows the deadlines for Oslo Stock Exchange.

Meeting structure

The Board of Directors usually holds six ordinary board meetings a year, evenly distributed over the year. Quarterly and annual accounts, and also salary and other remuneration to leading personnel are dealt with at the board meetings. In addition, a separate strategy meeting is held. Extraordinary board meetings to deal with matters that cannot wait until the next ordinary board meeting are held when required. In addition, the Board of Directors has organised the work in a separate auditing committee. In 2021, eight meetings were held, compared with ten meetings in 2020. In 2021, attendance at the board meetings was 98%, compared with 98% in 2020.

Auditing committee

The main purpose of the auditing committee is to monitor the Company's internal control systems, quality assurance of the financial reporting and ensuring that the auditor is independent. The auditing committee has two members of which one is independent of the Company's business activities and main shareholders. The committee has evaluated the procedures for financial control in the core areas of the Company's business activities. The committee has been informed of the external auditor's work and the results of this work.

The Board of Directors' self-evaluation

The Board of Directors conducts an annual evaluation of its work, way of working and expertise. The Chairman of the Board conducts an annual appraisal of the CEO in accordance with his job description.

10. RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors' responsibilities and the object of internal control

GC Rieber Shipping's risk management and internal control seeks to ensure that the Company has comprehensive control thinking that includes the Company's operations, financial reporting and compliance with applicable laws and regulations. Risk management and internal control also incorporates considerations related to integrating stakeholders in relation to the Company's long-term value creation, including factors such as the Company's basic values, ethical guidelines and guidelines for social corporate responsibility.

The Board of Directors' annual review and reporting

The annual strategy meeting helps lay the foundation for the Board of Directors' discussions and decisions through the year. Review and revision of important governing documents is considered on an on-going basis.

The administration prepares monthly finance reports, which are reviewed by the board members. Quarterly financial reports are also prepared and reviewed by the Board of Directors before the quarterly reporting. The auditor attends meetings with the auditing committee and the board meeting that includes presentation of the annual accounts. The Company's risk aspects and management have been thoroughly described in the report of the Board of Directors.

Overall responsibility for internal control related to the Company's financial reporting is assigned to the Board of Directors' auditing committee. The auditing committee has regular meetings with the administration and the Company's auditor at which accounting principles, use of estimates and other relevant topics are discussed.

Regular reports are submitted to the Board of Directors regarding defined KPIs related to quality, health, environment and safety. In addition, the GC Rieber group has prepared guidelines on business ethics and social responsibility, with which all employees in all the subsidiaries should be acquainted, including GC Rieber Shipping. GC Rieber Shipping has its own coordinator who ensures reporting to the Board of Directors on the status and progress of the Company's social responsibility and sustainability work and who represents the Company in the GC Rieber group's UN Global Compact group.

11. REMUNERATION TO THE BOARD OF DIRECTORS

The general meeting determines annually the remuneration to the Board of Directors. The proposed remuneration is put forward by the Company's largest shareholder. The remuneration shall reflect the Board of Directors' responsibility, expertise, time commitment and the complexity of the Company's activities. Board members who participate in Board committees receive separate compensation for this.

In 2021, the Company's Board received a total remuneration of NOK 1,117,000. The remuneration to each Board member in 2021 is given in note 3 of the parent company's annual accounts. Remuneration to the Board of Directors is not dependent on performance and does not contain any share options.

Members of the Board of Directors and/or companies with which they are associated should not take on specific assignments for the Company in addition to their appointment as a member of the Board, but if they do, this shall be disclosed to the full Board.

12. SALARY AND OTHER REMUNERATION FOR EXECUTIVE PERSONNEL

GC Rieber Shipping has developed guidelines for remuneration of leading personnel, in accordance with the Public Limited Liability Companies Act. The guidelines are available at the Company's website and should be approved by the general meeting on an annual basis. A separate remuneration report will be presented for the annual general meeting, subject to an advisory vote.

13. INFORMATION AND COMMUNICATION
GC Rieber Shipping seeks to treat all participants in the securities market equally through publishing all relevant information to the market in a timely, efficient and non-discriminating manner. All stock exchange reports will be available on the Company's website and on Oslo Børs' news site.

Financial reports
The Company presents preliminary financial statements by the end of February. Complete accounts, together with directors' report and annual report are available to the shareholders no later than three weeks before the general meeting.

The Company's financial calendar is published for one year at a time before 31 December in accordance with the rules of Oslo Børs. The financial calendar is available on the Company's website and also on the website of Oslo Børs.

Other market information
Interim reports and presentation material are available at www.gcrieber-shipping.com.

The Company exercises caution in its contact with shareholders and financial analysts, cf. the Norwegian Securities Trading Act, Norwegian Accounting Act and the stock exchange regulations.

14. TAKEOVER
The Board will not seek to hinder or obstruct any takeover bids for the Company's business activities or shares. Should there be a bid for the Company's shares, the Company's Board of Directors will not exercise authorisations to issue new shares or pass other resolutions in an attempt to obstruct the bid without the approval of the general meeting. Any transaction that in effect is a disposal of the Company's business activities will be decided on by the general meeting.

If a takeover bid has been received, the Board of Directors will initiate an external valuation by an independent adviser and thereafter the Board of Directors will recommend shareholders to either accept or reject the offer. The valuation must also take into account how a possible takeover will affect the long-term value creation in the Company.

15. AUDITOR

Choice of auditor
The Company's auditor will be chosen by the general meeting. PwC has been the Company's auditor since the ordinary general meeting in 2013.

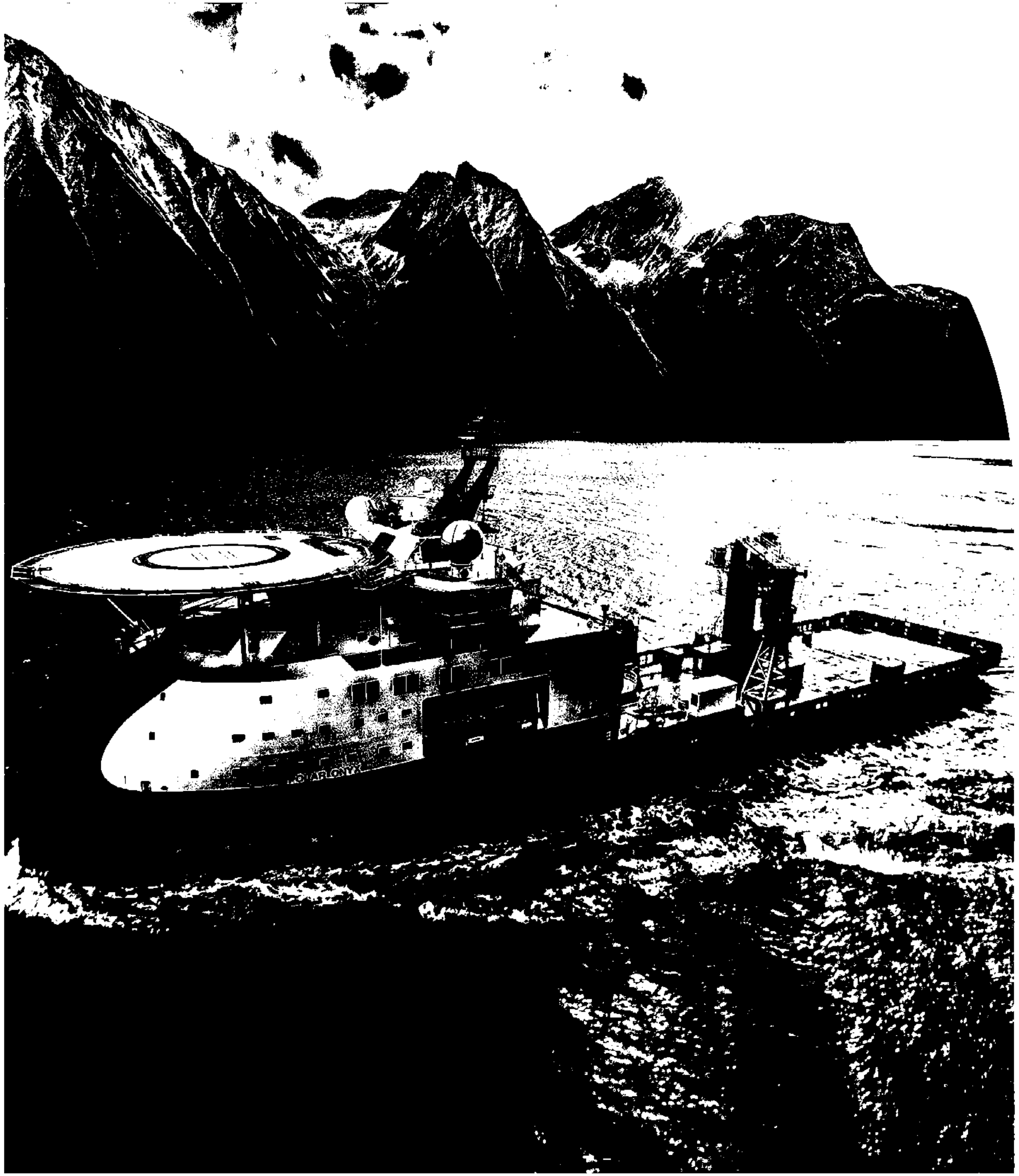
The auditor's relationship to the Board of Directors and the auditing committee
The Board of Directors will at least once a year arrange a meeting with the auditor without the presence of the executive management in the Company. The auditor will present the summary of an annual plan for carrying out the audit work, and the Company's internal control procedures, including identified weaknesses and proposed improvements, will be reviewed with the Board of Directors.

The auditor also participates in board meetings which discuss the annual accounts. At such meetings, the auditor reviews any material changes in the Company's accounting principles, comments on any material estimated accounting figures and any significant matters where there may have been disagreement between the auditor and the administration.

The Board of Directors will inform about the remuneration paid to the auditor, divided between remuneration for audit work and other services, at the annual general meeting.

The Company has established guidelines in respect of the use of the auditor by the executive management for services other than the audit.

ESG-report 2021



ESG-Report 2021

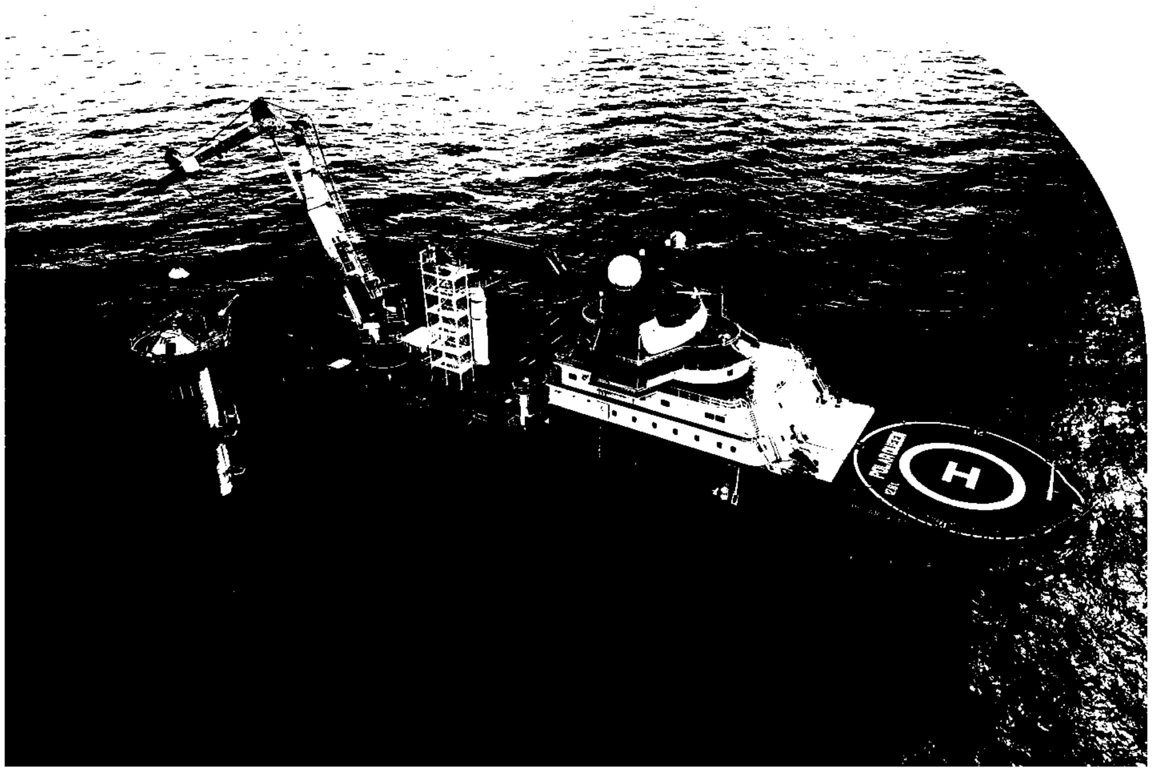
GC Rieber Shipping is strongly committed to corporate social responsibility and sustainability through its entire operation. Efforts to develop operations, practices and investments to minimise effect on the environment and enhance social responsibilities is a constant priority.

Traditionally, GC Rieber Shipping's operations have been heavily targeted towards the oil & gas industry through its former Subsea and Marine Seismic segments. In recent years, however, the strategic focus has been shifted towards renewable energy, including offshore wind, with a significant share of the Group's operating revenues coming from these markets.

Polar Onyx was agreed sold in December 2021 and delivered to the new owners in February 2022. Following the sale, Polar Onyx has left the oil & gas markets to operate within the offshore renewables segment.

Foto: Marius Beck Dahle

SHORTCUTS



Polar Queen was sold in March 2021 and has left the oil & gas markets to become a research ship, targeting advanced oceanographic research, discovery and knowledge, and catalyse sharing of information about the oceans.

In 2020, GC Rieber Shipping pointed out a new strategic direction, to become a pure ship-owner with focus on developing profitable and sustainable maritime projects, and to reduce its exposure towards the oil and gas markets. This strategic journey has been continued in 2021, with the sale of the two last wholly owned vessels, Polar Queen and Polar Onyx. The vessels were originally designed for the subsea oil & gas markets but have both left these markets with their new owners. Following the sales, GC Rieber Shipping is debt free with significant investment capacity, ready to invest in new vessel solutions contributing to the energy shift.

GC Rieber Shipping's exposure towards the oil and gas markets is now primarily held through the investment in the marine geophysical company Shearwater Geoservices Holding AS, in which GC Rieber Shipping reduced its ownership from 17% to 8.5% in 2021, and through the 50% owned Ice/Support joint venture.

The sale of vessels will significantly impact the scope of ESG-reporting for 2022, as the business of the Group will be substantially different from 2021. For 2022, GC Rieber Shipping will continue to use its extensive expertise to contribute to a sustainable development of the offshore industry through new investments.

ESG STRATEGY

GC Rieber Shipping has a steadfast commitment to good environmental practices, corporate social responsibility and corporate governance (ESG) within the entire business operation.

International sustainability programs are supported by actively using know-how and competence to drive economic, environmental and social development through own initiatives and efforts. GC Rieber Shipping's culture embraces the need for constantly pushing standards further and to contribute to an even larger matter. A solid ESG strategy is also essential for reaching GC Rieber Shipping's quality objective of client satisfaction above expectations.

Maintaining and pushing ESG standards are essential elements of the partnership and collaboration with ship managers and the operation of the vessels. The Group's ship manager holds certifications according to the International Safety Management (ISM) Code, ISO 9001 standard (quality management) and ISO 14001 standard (environmental management).

GC Rieber Shipping shares ethical guidelines, basic corporate values and guidelines for corporate social responsibility with the GC Rieber group. The guidelines provide general principles for business practice and personal behaviour and are intended to form a platform for the attitudes and basic vision that should permeate the culture in the GC Rieber group, and how these relate to the value creation by the GC Rieber group. In addition, the GC Rieber group has been a member of the UN Global Compact since 2010, and GC Rieber Shipping is thereby committed to integrating UN Global Compact's ten principles as part of its business strategy, promoting these principles vis-à-vis partners and reporting on activities and improvements when it comes to these ten principles. Please refer to the annual report and the website for the GC Rieber group for a closer description.

GC Rieber Shipping reports ESG according to the reporting standard developed by the Global Reporting Initiative (GRI), an independent, international organisation that helps businesses and other organisations take responsibility for their impacts by providing a global common language to communicate those impacts. The GRI-standard is the world's most widely used standard for sustainability reporting. The ESG-report is prepared according to GRI's Core option, meaning the focus of the report is on important elements.

GC Rieber Shipping also supports the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015, which is an urgent call for action by all countries – developed and developing – in a global partnership. Specifically, the SDGs set out 17 goals to improve environmental sustainability, social inclusion, and economic development by 2030.

GC Rieber Shipping's ESG strategy is anchored with the Board of Directors, management and governance structures.

SHORTCUTS

[Letter from the CEO]

[Corporate Governance]

[ESG Report 2021]

[Report of the Board of Directors for 2021]

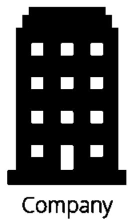
[Financial Statement GC Rieber Shipping Group]

[Financial Statement GC Rieber Shipping ASA]

[Auditor's Report]

The GRI-standards
GRI creates a common language for organisations – large or small, private or public – to report on their sustainability impacts in a consistent and credible way.

The GRI standards constitute a set of universal standards and a set of topic specific standards; Universal standards apply to all organisations, including contextual information about an organisation and the managements approach to each material topic. Topic specific standards list disclosures relevant to a particular topic in the categories Economic, Environmental and Social.



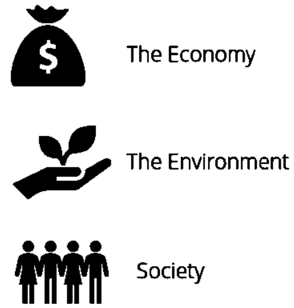


Illustration: CEMAsys 2021

A company should pick topics material for that specific company, and the minimum criteria to GRI is to report on at least one sub-topic under each category Economic, Environmental and Social.

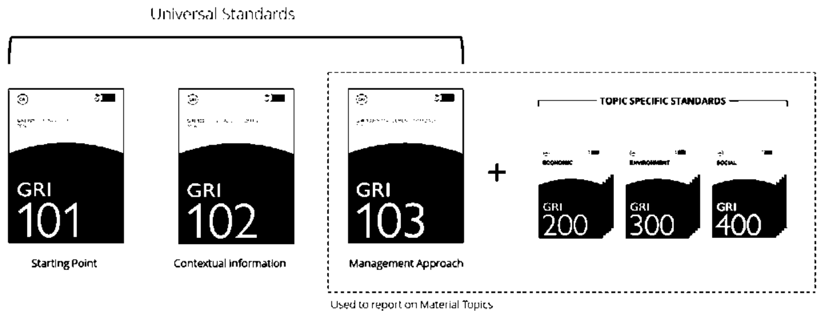


Illustration: CEMAsys 2021

Stakeholder analysis
A fundamental starting point when reporting according to the GRI standard, is to determine what topics should be considered material for the company through engaging different company stakeholders. A stakeholder is defined as: "entities/individuals that can be reasonably expected to be significantly affected by the reporting organisation's activities/products/services", or "entities/individuals whose actions can reasonably be expected to affect the ability of the reporting organisation to implement its strategies and achieve their objectives".

Engaging different stakeholders helps identifying risks and provides different perspectives then what is internally viewed as important and ensures that the company prioritise issues that matters most to its business and stakeholders.

In 2021, GC Rieber Shipping conducted interviews of representatives from four different groups of stakeholders. From these interviews, GC Rieber Shipping gained important qualitative information about the stakeholders' interests and concerns. On a general note, all stakeholders had high expectations to GC Rieber Shipping when it comes to sustainability.

GC Rieber Shipping, including the Group management, conducted a materiality assessment, ranking the results across the following two dimensions; influence on stakeholder assessment/decisions, and significance of environmental/social/economic impact. The assessment also considered the Norwegian Shipowners' Association's (NSA) guidelines on ESG reporting in the shipping and offshore industries, updated in November 2021. The guidelines aim for the reports to include the most relevant disclosures, in a way that ensures consistency across the shipping and offshore industries and propose a set of indicators to reflect what most companies within shipping and offshore segments are likely to find relevant.

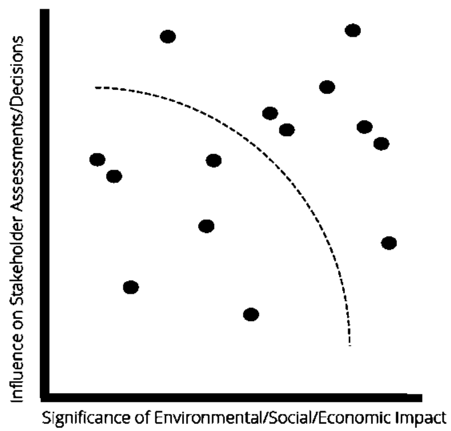


Illustration: CEMAsys 2021

From the materiality assessment, GC Rieber Shipping identified four material topics for the Group's business, providing the foundation for the ESG strategy and the following ESG reporting:

1. Environmental Strategy and Target Setting
2. Business Ethics & Transparency
3. Responsible Ship Recycling & Waste Management
4. R&D for Decarbonized Transition

SHORTCUTS

The four topics, reflecting GC Rieber Shipping's overall policies and ambitions, are summarised below:

Environmental Strategy and Target Setting	*Business Ethics & Transparency*	*Responsible Ship Recycling & Waste Management*	*R&D for Decarbonized Transition*
Make use of the at any time best available technological solutions to minimise the risk of releasing environmentally hasardous substances into air and water, and to stimulate sustainability throughout the value chain.	Ensure the good health and well-being of all employees and contractors. Support and respect the protection of internationally proclaimed human rights and make sure that the business is not complicit in human rights abuses. Actively promote transparency and counteract corruption and bribery.	Facilitate all phases from design of a vessel, operation and to disposal and resycling of the vessel to ensure that the total environmental footprint through a vessel's lifetime is minimised.	Drive research and develop innovative maritime projects with a sustainable profile, contributing to the energy shift.

The UN Sustainable Development Goals

Throughout the report, GC Rieber Shipping will link each material topic to relevant SDGs, complementing the description of the Group's impact on sustainable development. The highlighted SDGs are those considered most material for GC Rieber Shipping's business through the materiality assessment, not, however, implying that the remaining SDGs are considered less important.

ENVIRONMENT

GRI 300

1: Environmental Strategy and Target Setting

Through the stakeholder analysis, the importance of a clear environmental strategy with targets and accompanying key performance indicators (KPIs) was emphasised.

Relevant SDGs are presented in the table below:

RELEVANT SDGS	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER
SDG PRIOIRITY	*Ensure sustainable consumption and production patterns*	*Take urgent action to combat climate change and its impacts*	*Conserve and sustainable use the oceans, seas and marine resources for sustainable development*
RELEVANT SDG TARGETS	12.2 - By 2030, achieve the sustainable management and efficient use of natural resources 12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle 12.8 - By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	13.2 - Integrate climate change measures into (national) policies, strategies and planning 13.3 - Improve education, awareness-raising and human and institutional capacity on climate change mitigation,adaptation, impact reduction and early warning	14.1 - By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution 14.2 - By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans 14.3 - Minimise and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels

SHORTCUTS

GC Rieber Shipping is part of a global shipping industry, that according to the International Maritime Organization (IMO) stands for an estimated 2-3% of total global CO2 emissions. In addition, GC Rieber Shipping's operations have traditionally been targeted towards the oil & gas industry through its former Subsea and Marine Seismic segments. It is evident that the Group has operated in a sphere that has significant potential for reductions in climate footprint.

GC Rieber Shipping has always been dedicated in serving its different market segments in the most efficient way with modern, state of the art vessels, and a target of zero harmful spills to the environment. In recent years, GC Rieber Shipping has had an ambition to reduce its exposure towards oil & gas, and shift focus towards renewable energy, including offshore wind. Significant parts of the operating income have come from renewable market segments over the past few years.

In 2020, the Group set out a new strategic direction to become a pure ship-owner with focus on developing profitable and sustainable maritime projects. The Group's project department holds extensive expertise within naval architecture, engineering and newbuilding project management and has a longstanding history of turning complex projects into high-end vessel assets. Building on the Group's strong heritage of managing complex customer requirements and technologies, also in harsh environments, GC Rieber Shipping is uniquely positioned to develop tailor-made, innovative and sustainable solutions for customers world-wide.

In close collaboration with designers, shipyards, equipment suppliers and ship managers, the Group makes use of the at any time best available technological solutions to build and operate vessels with minimal risk of releasing environmentally hazardous substances into air and water, and to stimulate sustainability throughout the value chain.

The Group's operations are conducted in accordance with international shipping standards and the Group has a proactive approach to compliance with existing and future environmental requirements.

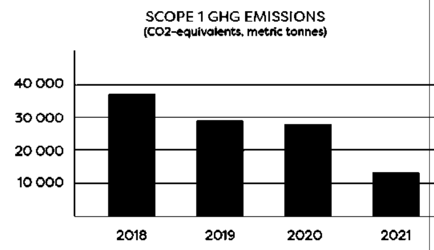
GC Rieber Shipping is strongly committed to lowering the greenhouse gas (GHG) emission intensity of its operations, and to play its part to reach IMO's goal of 50% emission reductions from international shipping by 2050, and the Paris Agreements goal to limit global warming to well below 2 degrees.

Direct (Scope 1) GHG emissions

The following data on Scope 1 GHG emissions is reported for GC Rieber Shipping's total fleet from 2018. While GC Rieber Shipping has always had focus on continuously reducing such emissions in operation, the main reason for the significant reduction over the four-year period is sale of vessels.

In 2018, GC Rieber Shipping's fleet counted three vessels; Polar King, Polar Queen and Polar Onyx. Polar King was sold in August 2020, Polar Queen in March 2021 and Polar Onyx was delivered to the new owners in February 2022. Following the sale of Polar Onyx, GC Rieber Shipping has no vessels and hence Scope 1 GHG emissions will be reduced to none.

The figure below gives the development of gross global Scope 1 GHG emissions to the atmosphere from GC Rieber Shipping's vessels:

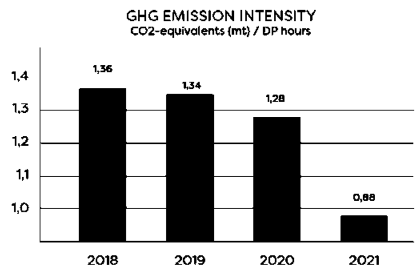


SHORTCUTS

On a general note, the operational mode of GC Rieber Shipping's vessels is determined by the clients when on charter. The number, length and speed of transits, number of thrusters in use when in DP operation (dynamic positioning), all depends on the specific client's needs and will greatly affect the fuel consumption. Thus, for GC Rieber Shipping's business, one cannot draw conclusions solely based on gross fuel consumption.

In DP operation the objective is to ensure safe operations by keeping the vessel absolutely still in the same position. The power consumption required to achieve this greatly depends on weather and current conditions.

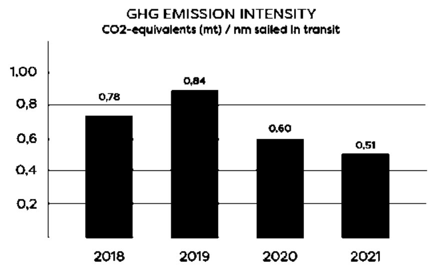
The figure below shows GHG emissions intensity illustrated by CO2-equivalents (metric tonnes) per hours in DP operation:



The positive development in CO2-equivalents (metric tonnes) per hours in DP operation in 2021 is caused by outside variables as previously described.

In transit the vessel moves from one location to another. Energy consumption during transit is affected by client requirements, such as speed, voyage planning, and weather routing.

Scope 1 GHG emission intensity in transit, as CO2-equivalents (metric tonnes) divided by nautical miles sailed during transit, is provided in the figure below:

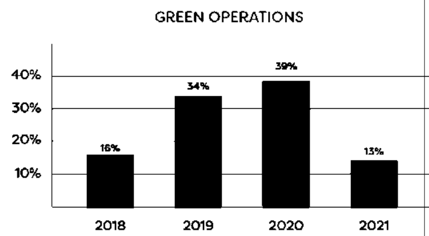


As gross fuel consumption is highly affected by a multitude of outside variables, it is important to have measures in place to reduce GHG emissions in all aspects of the operation. In GC Rieber Shipping, these measures are collectively referred to as Green Operations.

Green Operations include various fuel efficiency measures which are defined in the Ship Energy Efficiency Management Plans (SEEMP). The SEEMPs are reviewed annually. Monitoring and statistical analyses of fuel consumption verifies best-practice for energy efficient engine operations.

In 2020, all vessels were outfitted with advanced fuel consumption monitoring systems. All fuel taken on board the vessels is logged in the Environmental Ship Index, which is designed to improve the environmental performance of sea going vessels.

The share (% of total operating hours) of transits and DP-operations categorised as Green Operations are presented below:



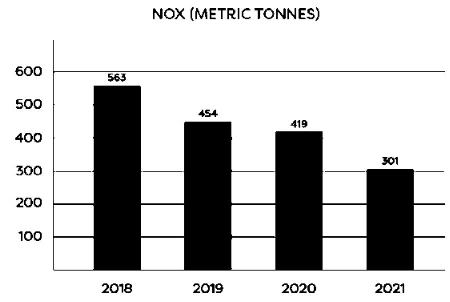
The negative development in share of Green Operations in 2021 is caused by project specific requirements and weather conditions.

GC Rieber Shipping always aims to further reduce GHG emissions through improved fuel monitoring, training of key personnel, implementation of measurable targets and advising clients in efficient fuel operations such as speed/thruster optimisation, voyage planning, weather routing and optimum use of trim, ballast and autopilot to name a few.

Anti-fouling paint on the hulls reduces growth of barnacles and subsequently lower fuel consumption due to less friction. Other means to reduce the energy consumption onboard the vessels have been taken such as shore power capabilities and use of LED.

GC Rieber Shipping's vessels have been equipped with selective catalytic reduction (SCR), which is an advanced active emissions control technology system that injects a liquid-reductant agent through a special catalyst (urea) into the exhaust stream of a diesel engine. By using urea as a reductant, NOx emissions are reduced. The SCR can reduce NOx emissions up to 90%. Since 2020 all vessels were operated in compliance with sulphur regulations, including global sulphur limits and relevant emission control area (ECA) limits. Furthermore, all vessels report their fuel consumption and emission in accordance with the IMO DCS directives and have obtained Statement of Compliance (SoC).

Total NOx emissions from the Group's vessels are presented below:



GC Rieber Shipping has other internal activities such as preparedness for acute pollution from vessels, using environmentally friendly products and environmental management plans. Measures are implemented to manage logistics in the most efficient and environmentally friendly way. For example, planning ahead and sending larger shipments by containers when sending parts and goods to the vessels, rather than smaller and more frequent shipments by airfreight. The vessels seek to use shore power in port whenever possible, eliminating the fuel combustion and subsequent release of greenhouse gases

Climate-related risks include both risks related to the transition to a lower-carbon economy and risks related to the physical impacts of climate change. GC Rieber Shipping acknowledges the importance of immediate climate actions, and factors in this understanding when developing corporate strategies and activities. Furthermore, the Group aims to raise awareness and understanding of climate change and the role of the shipping industry amongst clients, investors, partners, employees and other stakeholders.

When engaging in new projects, environmental criteria are an important part of evaluating new suppliers to the Group. All potential new substantial suppliers are screened using environmental data.

Following the sale of the last wholly owned vessel in February 2022, GC Rieber Shipping will have reduced the Scope 1 GHG emissions to zero. Having valuable experience from managing GHG emissions in a fleet of advanced vessels, GC Rieber Shipping is uniquely positioned to utilise this competence and develop new projects and ship designs compliant with ambitious goals for future emissions.

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

GRI 200 GRI 400

2: Business Ethics & Transparency

Stakeholders expressed high expectations to GC Rieber Shipping when it comes to business etchics and transparency.

The topic includes both economic and social GRI-disclossures, and relevant SDGs are presented in the table below:

RELEVANT SDGS	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
SDG PRIOIRITY	*Achieve gender equality and empower all women and girls*	*Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*	*Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels*
RELEVANT SDG TARGETS	5.1 - End all forms of discrimination against all women and girls everywhere 5.5 - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life 5.c - Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 8.8 - Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	16.5 - Substantially reduce corruption and bribery in all their forms 16.6 - Develop effective, accountable and transparent institutions at all levels 16.b - Promote and enforce non-discriminatory laws and policies for sustainable development

Making sure that the business supports and respects the protection of internationally proclaimed human rights and making sure that the business is not complicit in human rights abuses, is an integrated part of GC Rieber Shipping's organisation and operations.
GC Rieber Shipping supports the GC Rieber Group's strategy to promote human rights through its membership in UN Global Compact, further information about the membership in UN Global Compact is available in the GC Rieber Group's annual report and website.

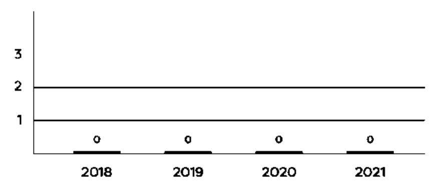
GC Rieber Shipping's commitment to operate responsibly and to respect local laws and regulations is absolute. Implications of relevant laws are communicated to employees through policies and trainings, and effective, accountable and inclusive institutions are built at all levels.

The shipping industry is generally exposed to potential risks relating to corruption and facilitation payments, particularly in relation to the use of agents and for port calls. GC Rieber Shipping has a zero-tolerance approach to corruption and bribery at all levels.

The Group actively promotes transparency, counteracts corruption and bribery and has several anticorruption measures in place with mandatory training of anti-corruption for all employees and hired marine personnel. The training raises awareness about corruption and provides guidelines on how to handle threats of corruption. The Group also works together with peers and other stakeholders to avoid bribery and corruption taking place in the supply chain.

In 2021, there were no confirmed incidents of corruption.

Reported incidents of corruption



In 2021 the Group had no port calls in countries with the 20 lowest rankings in the Transparency International's Corruption Perception Index, and the Group received no fines or sanctions for non-compliance with laws and/or regulations.

GC Rieber Shipping has clear procedures for incident reporting and whistle blowing and has created a work environment which encourages incident reporting and whistle blowing. There have been no cases of whistle blowing the past four years.

The Group is qualified through the Achilles network, a worldwide community dedicated to raising standards and doing business in ways that benefit everyone. GC Rieber Shipping is committed to focus on business ethics and risk management, and to establish effective, accountable and transparent governance structures.

For further information about corporate governance in GC Rieber Shipping, please see separate chapter in the annual report.

The Transparency Act.
As at 31.12.2021, GC Rieber Shipping was compliant with the GC Rieber Group's Code of Conduct, a policy for responsible supplier management and to enforce lasting, resilient partnerships. All significant agreements include human right clauses, and in 2021, GC Rieber Shipping did not identify any suppliers having significant actual or potential negative social impacts in conflict with the current Code of Conduct.

In June 2021, the Norwegian Parliament passed the Transparency Act. The Act shall "promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and ensure the general public access to information regarding how enterprises address adverse impacts on

SHORTCUTS

fundamental human rights and decent working conditions". The act is anchored in several international obligations such as the UN Guiding Principles on Business and Human Rights (UNGP), the OECD Guidelines for Multinational Enterprises and the UN's sustainability goals.

The Transparency Act will apply for GC Rieber Shipping as a publicly traded company with effect from 1 July 2022, meaning GC Rieber Shipping will need to carry out due diligence assessments and get an overview of the consequences their business, supply chains and business partners have on fundamental human rights and working conditions. The results from the assessments will also need to be published.

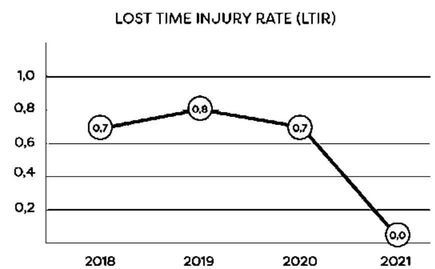
All new significant suppliers in 2022 will be screened according to the Transparency Act.

Social
Safeguarding its people is the overall objective in everything GC Rieber Shipping does. The constant search for ways to improve safety performance is embedded in GC Rieber Shipping's culture. Each and every employee and contractor of the Group is responsible for:

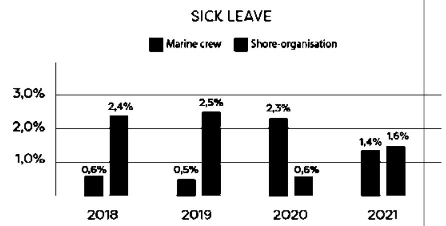
- *seeking and sharing relevant knowledge related to safe work;*
- *being a positive influencer and contributor to a strong safety culture;*
- *creating a trusting work atmosphere to support intervention in unsafe conditions;*
- *being diligent in efforts to ensure integration of safety; and*
- *being creative and dare to question "truths" in the pursuit for improvement opportunities and innovation.*

Through its risk management principles, GC Rieber Shipping has ambition to ensure the good health and well-being of all employees and contractors. Occupational health and safety management systems are implemented, and measurable key performance indicators monitor the effect of the activities performed within the area.

The lost time incident rate (LTIR) for work-related injuries and illness that results in absence from work, beyond the date of the shift when it occurred, is presented below.



Sick leave amongst the marine crew and in the shore-organisation is presented below:



The increase amongst the marine crew from 2020 is partially related to Covid-19 restrictions. Sick leave in the shore organisation in 2021 is in its entirety related to a non-work-related injury.

Gender equality and diversity
GC Rieber Shipping is committed to be an equal opportunities employer. The Group embraces a positive and inclusive working environment, characterised by equality and diversity. GC Rieber Shipping does not accept discrimination of any kind of its employees or other parties involved in the Group's activities. This includes any and all unjust treatment, exclusion or preference based on gender, ethnicity, age, sexual orientation, disability, religion, political persuasion or other circumstances.

The Group operates a policy of complete equality between male and female workers at all levels in the organisation, based on the assumption that an even gender distribution will contribute to an improved working environment and to greater adaptability and improved earnings for the Group in the long run. However, the number of qualified applicants for some of the Group's vacant positions offshore has been limited. As at 31 December 2021, 11% amongst the marine crew were women, up from 7% in 2020.

As at 31.12.2020 the land organisation consisted of eight employees, all men, while as at 31.12.2021 the land organisation counted eight men and one woman. The management group consisted of three men. No employees left the Group in 2021.

The Board of Directors consists of three men and two women as at 31.12.2021, compared with three men and one woman as at 31.12.2020.

The industry in which the Group operates has had, and still has an overweight of male representation. The Board of Directors acknowledges the current situation in the Group, which comes as a result of the transfer of business and 60% of the employees to OSM in 2020. GC Rieber Shipping is strongly committed to improve the female representation by:

- *implementing gender-sensitive recruitment and retention practices and ensuring equal access to all company-supported education and training programs;*
- *supporting women's leadership and ensuring sufficient participation of women in decision making and governance bodies at all levels and across all business areas;*
- *including non-discrimination clauses in supplier code of conduct policies and supporting suppliers in advancing gender equality and women's empowerment;*
- *ensuring business activities, products and services that respect the dignity of women, and do not reinforce harmful gender stereotypes.*

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

ENVIRONMENT

GRI 300

3: Responsible Ship Recycling & Waste Management

GC Rieber Shipping operates on and in the oceans. Ships in GC Rieber Shipping's possession are typically of considerable size and could negatively impact the environment if not handled responsibly. Ship-breaking activities have become a significant environmental challenge with hundreds of large ships being scrapped each year, gaining significant attention with several stakeholders. As part of GC Rieber Shipping's strategy, we are highly committed to ensure that our business has minimal impact on the ocean's ecosystems through a vessel's entire lifetime.

Relevant SDGs are presented in the table below:

RELEVANT SDGS	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	14 LIFE BELOW WATER
SDG PRIOIRITY	*Ensure sustainable consumption and production patterns*	*Conserve and sustainable use the oceans, seas and marine resources for sustainable development*
RELEVANT SDG TARGETS	12.2 - By 2030, achieve the sustainable management and efficient use of natural resources 12.4 - By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment 12.5 - By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	14.1 - By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution 14.2 - By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans 14.3 - Minimise and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels

GC Rieber Shipping targets a fleet of modern vessels, which include selling vessels before they are at the end of their life cycle. As such, scrapping of vessels is not a direct activity for GC Rieber Shipping's operations. Still, responsible ship recycling and waste management is still highly relevant through GC Rieber Shipping's entire business - from the design of vessels, during operation and to disposal of the vessels at the end of the vessels` lifetime. The Group is dedicated in facilitating these different faces so that the total environmental footprint of a vessel is minimised.

Already when designing a ship, GC Rieber Shipping has disposal of the ship at the end of its life cycle in mind. This includes an aim of using components with a low environmental footprint and to make it easier to recycle and reuse the vessel's different components when dismantling the ship, all in close collaboration with shipyards.

Responsible ship recycling clauses are always included whenever vessels are sold, and the Group has certified its vessels to be in compliance with the EU Ship Recycling Regulation (EU SRR).

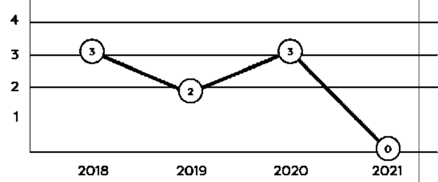
All vessels follow the mandatory MARPOL which regulates discharge and waste from vessels. All garbage produced on board are segregated and logged; and measures are in place to reduce garbage in general and plastics in particular. Plastic recycling/reduction targets is set for the Group and for relevant suppliers. Whenever possible, waste and litter found in the ocean are taken onboard and treated as per MARPOL regulations. Ghost nets, plastics and other waste getting attached to the in-water equipment are removed from the oceans and brought to shore for proper disposal. All vessels are also compliant with the IMO Ballast Water Management convention.

GC Rieber Shipping has taken its owned vessels above and beyond the applicable environmental legislative worldwide standards for shipping as they are classified as "Clean Design" by DNV. This is an optional classification, giving further requirements on emissions to air (fuel oil management plan, NOx and SOx emissions, firefighting substances and shipboard incinerators), discharges to sea (oil bunkering arrangements, ballast and bilge water, garbage, sewage and antifouling to prevent growth and transfer of alien species and environmental responsibilities. All owned vessels have strict oil tank protection, 5ppm oily bilge separators and alarms and approved ballast water treatment systems.

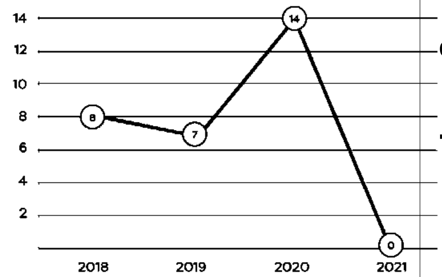
The Group has an objective of zero uncontrolled releases of harmful substances in the natural environment.

The number of potentially harmful spills, and aggregate volume of potentially harmful spills, are presented below:

NUMBER OF POTENTIALLY HARMFUL SPILLS PER YEAR



AGGREGATE VOLUME OF POTENTIALLY HARMFUL SPILLS (LITERS PER YEAR)



4: R&D for Decarbonized Transition

This material topic is closely linked to GC Rieber Shipping's material topic 1, Environmental Strategy and Target Setting. In recent years, activities towards offshore renewable energy have been increased as part of GC Rieber Shipping's strategy. The market for offshore wind is evolving rapidly and the focus on innovation is increasing. Research and development for decarbonisation of the shipping industry and the global energy mix is at the core of this strategy.

R&D for Decarbonized Transition is not directly tied to a topic specific GRI disclosures. The topic is, however, closely linked to SDG 7 – Affordable and Clean Energy:

RELEVANT SDGS	
SDG PRIOIRITY	*Ensure access to affordable, reliable, sustainable and modern energy for all*
RELEVANT SDG TARGETS	7.1 - By 2030, ensure universal access to affordable, reliable and modern energy services 7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix 7.3 - By 2030, double the global rate of improvement in energy efficiency 7.a - By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology

The Group has developed several designs aimed at the maintenance and commissioning of offshore wind turbines, and also additional concepts within the segment that go beyond the traditional solutions. Going forward the Group will continue to pursue attractive opportunities, including the development of innovative ship designs with a sustainable profile and reduced climate footprint throughout the vessel's life. Following the recent sale of vessels, GC Rieber Shipping is debt free with a significant investment capacity, eager to realise new exciting opportunities with a strong market potential.

The scope of reporting on this material topic is expected to grow significantly in GC Rieber Shipping's future ESG-reports.

Report of the board of directors

Report of the Board of Directors

In 2021, GC Rieber Shipping continued the strategic journey set out in 2020 to become a pure ship-owner with focus on developing profitable and sustainable maritime projects.

In March 2021 the company sold the IMR vessel Polar Queen, and in December 2021 the company entered into an agreement to sell the last vessel in the Subsea & Renewables segment, the SURF/Construction vessel Polar Onyx. The delivery of Polar Onyx in February 2022 not only marked the sale of GC Rieber Shipping's final wholly owned vessel, but also the repayment of the Group's debt in full.

After several challenging years following the oil crisis in 2014, GC Rieber Shipping has emerged debt free with significant investment capacity, ready to invest in new vessel solutions contributing to the energy shift.

OPERATIONS AND STRATEGY

From a focus on oil-related activities, GC Rieber Shipping has turned its attention towards renewable energy at sea. However, the company's existing assets and results are still closely linked to the development within offshore oil and gas through 50/50 joint ventures and the 8.5% investment in the marine geophysical company Shearwater Geoservices Holding AS (Shearwater).

GC Rieber Shipping's strategy is developing profitable and sustainable maritime projects and owning ships. The company's project department holds extensive expertise within naval architecture engineering and newbuilding project management and has a longstanding history of turning complex projects into high-end vessel assets. Building on the company's strong heritage of managing complex customer requirements and technologies, also in harsh environments, GC Rieber Shipping is uniquely positioned to develop tailor-made, innovative and sustainable solutions for customers world-wide.

The company's headquarter is in Bergen (Norway), with an additional 50% owned ship management company in Yuzhno-Sakhalinsk (Russia). The company is listed on Oslo Børs with ticker RISH.

The company emphasises that the information included in this annual report contains certain forward-looking statements that address activities or developments that the company expects, believes or anticipates will or may occur in the future. The statements are based on assumptions and estimates, and some of them are beyond the company's control and therefore subject to risks and uncertainties.

HIGHLIGHTS 2021

(Figures for 2020 are given in brackets)

- *Net profit of NOK 177.9 million, including sale of shares in associated company of NOK 186.7 million (net loss of NOK 495.3 million, including impairment of NOK 459.1 million)*
- *Contract backlog of NOK 90 million as of 1 January 2022* [1]
- *An additional dividend of NOK 1.23 per share was paid in October 2021*
- *A dividend of NOK 0.50 per share will be proposed to the annual general meeting in 2022*

[1] Related to the JV ice/support in Russia, excluding charterers' extension options.

Sale Polar Queen

On 23 March 2021, GC Rieber Shipping sold the IMR vessel Polar Queen, built at Freire Shipyard in 2011. The sale resulted in a positive liquidity effect of approximately NOK 22.0 million after repayment of the vessel's outstanding debt. Gain from the sale was NOK 21.0 million, in addition the sale triggered the recycling of foreign currency translation differences of NOK 155.2 million (non-cash effect).

Contract updates in the period

Polar Onyx completed its 3-year contract with DeepOcean in Ghana in May 2021 and completed a new 4-months contract in September 2021 for a Tier 1 client in the North Sea.

Sale Polar Onyx / discontinued operations

In December 2021, GC Rieber Shipping entered into an agreement to sell the SURF/Construction Vessel Polar Onyx, built at Ulstein Verft in 2014. The sale included the VLS tower onboard the vessel. The buyer was the offshore wind service conglomerate Dong Fang Offshore Co., Ltd, and Hung Hua Construction Co., Ltd., and the vessel was delivered to the new owners 17 February 2022.

The sale resulted in a positive liquidity effect of approximately USD 20 million after repayment of the vessel`s outstanding debt. Due to the sale, an impairment of NOK 36.4 million was recognised in the fourth quarter of 2021.

As Polar Onyx was the last vessel in the Subsea & Renewables segment, the segment is presented as discontinued operations as at 31.12.2021.

Following the sale, GC Rieber Shipping is debt free.

Subsea & Renewables credit facilities

Entering 2021, GC Rieber Shipping had two Subsea & Renewables credit facilities. One was repaid in full following the sale of Polar Queen in March 2021, and the other was repaid in full in February 2022 following the sale of Polar Onyx.

The credit facilities have been subject for several amendments since the refinancing of the company in 2018, also in 2021;

In the second quarter of 2021, the 80% reduction of scheduled amortization was prolonged, and the cash sweep mechanism suspended until final maturity in December 2022. In consideration of these amendments, GC Rieber Shipping made a loan prepayment of NOK 69 million, which replaced the cash sweep payment scheduled for June 2021 of approx. NOK 46 million.

Following GC Rieber Shipping's significantly strengthened financial position through 2021, GC Rieber Shipping and its lenders in the third quarter of 2021 agreed to restore the provisions of the original credit facility agreement and reverse material changes introduced throughout the restructuring period. Specifically, investment and dividend restrictions were removed, and scheduled amortisation with full instalments restored. The credit facility had final maturity in December 2022 but was repaid in full following the sale of Polar Onyx in February 2022, leaving GC Rieber Shipping debt free.

See note 14 to the consolidated accounts for further details.

Shearwater

In April 2021, GC Rieber Shipping's at the time 17% owned marine geophysical company Shearwater Geoservices Holding AS (Shearwater) announced two transactions where Shearwater took over marine seismic acquisition assets previously owned by Polarcus, from Tiger Moth AS, a company affiliated with Woodstreet Inc.. Shearwater acquired the streamers and related seismic equipment for a total cash consideration of USD 50 million. The company further purchased the six seismic acquisition vessels for a total consideration of USD 127.5 million. The transactions were financed through a new vessel loan facility provided by DNB and GIEK of USD 107.5 million and a convertible loan from Rasmussengruppen AS in the amount of USD 85 million. USD 15 million of the convertible loan was available for general corporate purposes.

On 9 July 2021, GC Rieber Shipping sold shares in Shearwater reducing its ownership from 17.0% to 8.5%. Gross proceeds from the sale were USD 50.5 million. Following the transaction, GC Rieber Shipping was no longer party to the shareholder agreement and the remaining shares were booked as financial assets at fair value.

Additional dividend

23 September 2021, an extraordinary general meeting approved an additional dividend of NOK 1.23 per share on the basis of the company's annual accounts for 2020. The additional dividend, a total of NOK 105.9 million, was paid to the shareholders 5 October 2021.

Events after the end of the period

Sale of Polar Baikal

GC Rieber Shipping has sold the crew boat Polar Baikal, owned through the 50/50 joint venture in the Ice/Support segment. The vessel has been chartered to the Sakhalin Energy Investment Corporation (SEIC) for 12 years and was delivered to the new owners in February 2022. The sale will have limited accounting effects.

Business and assets in Russia

The ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. It is currently uncertain to what extent the business will be affected. GC Rieber Shipping is monitoring the situation closely to comply with all sanctions.

FINANCIAL REVIEW

As at 31 December 2021, the Subsea & Renewables segment is presented as discontinued operations.

Profit and loss

The GC Rieber Shipping group's (the "Group") total operating income in 2021 excluding discontinued operations was NOK 2.4 million (NOK 4.9 million). EBITDA excluding discontinuing operations amounted to NOK 129.7 million (NOK 20.9 million), including gain from sale of shares in Shearwater of NOK 186.7 million.

Net operating income (EBIT) excluding discontinued operations was NOK 128.0 million (NOK 19.1 million).

Net financial items excluding discontinued operations was NOK 11.1 million (negative NOK 2.4 million), including unrealised currency gain of NOK 6.2 million (loss of NOK 14.5 million).

The Group's net profit for 2021 was NOK 177.9 million (loss of NOK 495.3 million, including impairment from discontinued operations of NOK 459.1 million). Earnings and diluted earnings per share amounted to NOK 2.07 (NOK -5.75).

Cash flow

For 2021 the Group had a positive cash flow of NOK 240.4 million (positive NOK 40.2 million).

Cash flow from operating activities was negative NOK 3.5 million (positive NOK 68.7 million).

Cash flow from investment activities was positive NOK 780.0 million, including NOK 440.1 million from the sale of financial fixed assets and NOK

339.9 million from sale of discontinued fixed assets (positive NOK 316.5 million, including NOK 281.2 million from the sale of discontinued fixed assets).

Cash flow from financing activities was negative by NOK 536.2 million. The amount includes the additional dividend of NOK 105.9 million, and payment of interests and instalments of NOK 428.6 million related to discontinued operations (negative NOK 344.9 million, including payment of interests and instalments of NOK 343.1 million related to discontinued operations).

As at 31 December 2021, the Group's holding of liquid assets was NOK 482.7 million (NOK 240.4 million).

Net cash flow for GC Rieber Shipping ASA was positive NOK 192.8 million in 2021 (positive NOK 51.1 million), with a cash holding of NOK 219.4 million as at 31 December 2021 (NOK 179.2 million).

Balance sheet

The Group's total assets as at 31 December 2021 amounted to NOK 1,713.7 million (NOK 2,120.2 million), whereof NOK 593.8 million related to discontinued operations. Total assets in GC Rieber Shipping ASA amounted to NOK 879.6 million (NOK 1,001.8 million).

As at 31.12.21 GC Rieber Shipping has booked NOK 5.0 million in research and development, related to new ship designs.

The Group's book equity as at 31 December 2021 was NOK 1,213.2 million (NOK 1,277.6 million), corresponding to an equity ratio of 70.8% (60.3%). Book equity for GC Rieber Shipping ASA was NOK 582.8 million (NOK 640.7 million).

Financing

All of GC Rieber Shipping's interest-bearing liabilities in 2021 was related to the discontinued Subsea & Renewables segment. Following the sale of Polar Onyx completed in February 2022, the Group is debt free. See note 14 for further information.

For 2021 in total, the Group paid NOK 409.8 million in loan instalments. The amount included ordinary debt instalments, a prepayment of NOK 69 million related to the refinancing in the second quarter, and NOK 264.4 million related to the sale of fixed assets (NOK 343.1 million including ordinary debt instalments, a cash sweep of NOK 93.6 million and NOK 286.9 million related to the sale of fixed assets).

The Group's liquid assets in terms of bank deposits and interest-bearing securities as at 31 December 2021 amounted to NOK 482.7 million (NOK 240.4 million). The Group's liquid assets are primarily held in NOK and USD.

As at 31 December 2021, the Group had net interest-bearing assets of NOK 63.5 million (net liabilities of NOK 567.5 million). At the same time the parent company, GC Rieber Shipping ASA, had net interest-bearing assets of NOK 421.2 million (NOK 219.4 million).

GC Rieber Shipping's covenants are tied to working capital and equity for all its liabilities. GC Rieber Shipping's Subsea & Renewables credit facilities, originally from 2014, were refinanced and amended in the first quarter 2018 to improve the company`s financial runway in challenging market conditions. Following GC Rieber Shipping's significantly strengthened financial position the past year, GC Rieber Shipping and its lenders agreed to restore the provisions of the original credit facility agreements and to reverse material changes introduced throughout the restructuring period. Specifically, investment and dividend restrictions were removed, and scheduled amortisation with full instalments restored. The credit facility had final maturity in December 2022 but was repaid in full in February 2022 following the sale of Polar Onyx. GC Rieber Shipping complied with the amended financial covenants throughout 2021 and at 31 December 2021. See note 14 to the consolidated accounts for further details.

Foreign currency situation

The Group's reporting follows the International Financial Reporting Standards (IFRS), which are the accounting principles adopted by the EU. The Group does not use hedge accounting for its financial instruments, and changes in the market value of financial hedging instruments are therefore recognised in the profit statement, in accordance with IFRS 9.

The GC Rieber Shipping Group uses the Norwegian krone (NOK) as its presentation currency, while several of its subsidiaries have USD as functional currency. Therefore, the international accounting standard IAS 21 applies.

Any change in the USD/NOK exchange rate affects the Group's equity and profit, as the Group's interest-bearing debt and fixed assets are denominated mainly in USD and translated at the USD/NOK exchange rate on the balance sheet date. For subsidiaries with USD as functional currency, translation differences arising in respect of vessels and debt are recognised as other comprehensive income. Translation differences will also arise for subsidiaries that have USD as functional currency and hold liquid assets in NOK. These holdings are translated into USD respectively at the exchange rate on the balance sheet date, and translation differences are carried against the statement of comprehensive income.

MARKET DEVELOPMENT AND SEGMENTS

GC Rieber Shipping's activities are closely linked to the energy markets. With the sale of vessels in 2021, GC Rieber Shipping's exposure towards the oil & gas markets is reduced, however, both the 50/50 joint ventures and the 8.5% investment in the marine geophysical company Shearwater Geoservices Holding AS (Shearwater) remains. For future projects, GC Rieber Shipping is targeting the markets for offshore renewable energy.

The market for offshore wind is developing rapidly. As part of GC Rieber Shipping's strategy, the company has developed several designs aimed at the maintenance and commissioning of offshore wind turbines. The company has also developed additional concepts within the segment that goes beyond the traditional solutions. GC Rieber Shipping considers these to be exciting opportunities with good market potential. Specifically, GC Rieber Shipping seeks to develop innovative, profitable vessel solutions with a sustainable profile, with the aim of significantly reducing the climate footprint throughout the vessel's lifetime.

The Ice/Support market is stable with indications of favourable developments in niche segments; however, the ongoing war in Ukraine and related sanctions against Russia, have increased the risk related to the Group's joint ventures and assets in Russia.

Subsea & Renewables (discontinued)

Entering 2021, GC Rieber Shipping had two vessels within the Subsea & Renewables, Polar Queen and Polar Onyx.

Polar Queen was sold in March 2021 and was idle until the sale. Gain from the sale was NOK 21.0 million, in addition the sale triggered the recycling of foreign currency translation differences of NOK 155.2 million (non-cash effect). Following the sale, the vessel's debt was repaid in full.

Polar Onyx finished its 3-year contract with DeepOcean in May 2021, after which the vessel returned to the North-Sea for a 4-months contract for a Tier 1 client. The vessel was idle from the start of October 2021 and was agreed sold in December 2021. Delivery to the new owner was 17 February 2022. The sale resulted in a positive liquidity effect of approximately USD 20 million after repayment of the vessel's outstanding debt in full. Due to the sale, an impairment of NOK 36.4 million was recognised in the fourth quarter of 2021.

As a result of the sales of the two vessels in 2021, the Subsea & Renewables segment is presented as discontinued operations as at 31.12.2021. Profit from discontinued operations was NOK 38.9 million in 2021, including impairment of NOK 31.9 million reflecting the vessels selling price (negative NOK 512.1 million, including impairment of NOK 459.1 million).

Joint Ventures

Ice/Support

As at 31.12.2021 GC Rieber Shipping owned the ice breaker Polar Pevek and the two crew vessels Polar Piltun and Polar Baikal through 50/50 joint ventures located in Cyprus with external parties. Polar Baikal was sold in the first quarter of 2022. The vessels are operated by a 50% owned ship management company in Yuzhno-Sakhalinsk in Russia. GC Rieber Shipping's 50% stake is reported in the profit and loss statement under «Profit from joint ventures and associates».

Polar Pevek is chartered to Exxon Neftegas until 2023 and operates out of the DeKastri oil terminal, assisting tankers carrying oil from the Sakhalin I offshore field outside eastern Russia. Polar Piltun is currently idle.

GC Rieber Shipping's share of profit in 2021 amounted to NOK 26.7 million (NOK 48.4 million). The reduced profit compared with 2020 is mainly due to a planned docking of Polar

Pevek and Polar Baikal being idle for the entire period.

The ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the joint ventures and assets located in Russia. It is currently uncertain to what extent the business will be affected. GC Rieber Shipping is monitoring the situation closely to comply with all sanctions.

Financial fixed assets

Shearwater

As a result of GC Rieber Shipping's reduced ownership in Shearwater from 17% to 8.5%, the investment is booked as a financial asset at fair value from 9 July 2021. The investment was previously reported in the profit and loss statement under «Profit from joint ventures and associates».

Shearwater operates as a global, customer-focused and technology-driven provider of marine geophysical services. Shearwater owns and operates a large fleet of seismic acquisition vessels, offering a full range of acquisition services including 3D, 4D and ocean bottom seismic. The company also has a portfolio of proprietary streamer technology and processing software enabling effective execution of geophysical surveys and delivery of high-quality data. The company has approximately 800 employees and operates in all major offshore basins across the world. This makes Shearwater a leading global and technology-driven full-service provider of marine geophysical services, able to deliver exceptional customer solutions.

The acquisition of marine seismic acquisition assets previously owned by Polarcus in April 2021 further strengthened Shearwater's capabilities and helped accelerate its fleet renewal program. Covid-19 has continued to affect the seismic market in 2021, however with a modern and flexible fleet, Shearwater is positioned to partake in the expected improving market going forward.

GC Rieber Shipping`s share of profit in 2021, up until 9 July 2021, was negative NOK 61.7 million (negative NOK 33.9 million, including a non-cash financial income of NOK 51.7 million from the conversion of a vendor note related to the CGG transaction in January 2020).

GOING CONCERN

Based on the above report of profit and loss for the GC Rieber Shipping Group, the Board of Directors confirms that the financial statements for 2021 are prepared on the principle of going concern and that there is basis for adopting this principle in accordance with section 3-3 of the Norwegian Accountancy Act.

ALLOCATION OF PROFITS

The parent company GC Rieber Shipping ASA had a net profit of NOK 90.7 million in 2021, including sale of shares in subsidiaries of NOK 113.0 million (net loss of NOK 121.6 million, including a write-down of receivables from a subsidiary of NOK 104.4 million). The parent company's equity as at 31 December 2021 amounted to NOK 585.8 million (NOK 640.7 million).

The Board of Directors proposes a dividend of NOK 0.50 per share for 2021.

The profit for the year is proposed allocated as follows:

(NOK MILLION)	
Allocated for dividends:	43.0
Transferred to other equity:	47.6
Total allocated:	90.6

FINANCIAL RISK AND RISK MANAGEMENT

Risk management

GC Rieber Shipping operates in a global and cyclical market, exposing the Group to several risk factors as well as the development in the markets for petroleum- and offshore renewable products. The Board of Directors of GC Rieber Shipping therefore focuses on risk management and risk control, and routines have been implemented to mitigate risk exposure. Operative risk management is handled by the financial department and is reported to the Board of Directors regularly. The Group has a separate audit committee that monitors and follows up on the Group's internal risk and control systems. Audit committee meetings are held in connection with the presentations of annual and interim reports.

The Group has a general liability insurance in addition to insurance for the Board of Directors for their possible liability to the company and third-party interests.

Market risk

As the Group has activities towards the ice/support and oil & gas industry, GC Rieber Shipping is closely linked to developments in the energy sector, geopolitical developments and exploration and research-related operations in Arctic environments.

Covid-19 and a highly volatile oil price have affected GC Rieber Shipping through 2021 as in 2020. Although the Group has not lost any business as a result of these events, the Group has faced higher costs keeping the vessels operational through the challenging times.

Having sold all fully owned vessels, the Group's exposure towards market risk is reduced for the time being. However, the ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. It is currently uncertain to what extent the business will be affected.

Financial risk

Currency risk

As the Group's income comes in NOK, USD, GBP and EUR, and operational and administration costs are mostly in NOK, USD and EUR, the Group is exposed to fluctuations in exchange rates. To reduce currency risk, the Group's liabilities has mainly been held in USD. In addition, there is a continuous evaluation of hedging methods related to expected future net cash flow in USD and other relevant currencies.

Interest risk

The Group continuously assesses how large a share of its exposure to the interest level should be secured by hedging agreements and has traditionally used different types of interest rate derivatives as a protection against fluctuations in the interest level.

At the end of 2021, 100% of the Group's liabilities were secured with a fixed interest rate. Following the sale of Polar Onyx in February 2022, the Group has no interest-bearing liabilities.

Credit/Counterparty risk

When including all contracts secured up until the reporting date for this annual report, contract backlog was NOK 90 million as of 1 January 2022 (NOK 216 million), all related to the JV Ice Support with increased risk due to the ongoing war in Ukraine and related sanctions against Russia. GC Rieber Shipping is monitoring the situation closely.

Liquidity risk

The Group's financing structure is described in note 14 to the consolidated accounts. Lenders include recognised Norwegian and international shipping banks.

GC Rieber Shipping maintains an active liquidity management. Deposits are made in financial institutions with high financial status as well as in interest-bearing securities with high liquidity and low credit risk.

Operational risk

There will always be a risk of unforeseen operational problems, which could result in higher operational costs and lower income than predicted and expected. GC Rieber Shipping is dedicated in ensuring good and stable operations and has several systems and routines for quality assurance to minimise unforeseen incidents as much as possible.

ENVIRONMENT, CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE GOVERNANCE (ESG)

GC Rieber Shipping is committed to practice good corporate social responsibility, and the Group has a proactive approach to corporate social responsibility and sustainability in all parts of the organisation. A separate report on environment, corporate social responsibility and corporate governance is provided in the annual report.

The company sets a high standard for corporate governance, in compliance with The Norwegian Code of Practice for Corporate Governance (cf. most recent edition dated 14 October 2021). A more detailed description of the Group's Corporate Governance is provided in a separate chapter in the annual report.

Organisation and employees

GC Rieber Shipping had a total of 9 (8) employees at the end of 2021, all employed in the land organisation. In addition, the Group had 48 (72) contracted mariners for the Group's owned vessel, and the management company in the joint venture in YuzhnoSakhalinsk (Russia) had 5 (5) employees.

Please refer to note 3 in the parent company's Financial Statement for details on payroll expenses, and also the separate report on remuneration to leading personnel.

Health, Safety, Environment and Quality (HSEQ)

The HSEQ-objective for GC Rieber Shipping's operations is to prevent personal injuries, environmental spills and property damages, and to achieve client satisfaction above expectations. HSEQ is fully integrated in all operations and practices and subject to constant evaluation to push the standards to higher levels.

Further information regarding health, safety and environment in GC Rieber Shipping is available in the the Group's ESG report for 2021.

GENERAL MEETING

The general meeting for 2021 will be held on 21 April 2022.

SHAREHOLDER INFORMATION

In 2021, the Group's shares were traded between NOK 6.00 and NOK 10.40 per share. A total of 3,853,650 shares were traded. The closing price 31 December 2021 was NOK 9.05, which based on the 86,087,310 shares outstanding valued the Group's equity at approximately NOK 779.1 million.

As at 31 December 2021, GC Rieber Shipping had 971 shareholders (728). Of total shares, 94.8% was owned by the 20 largest shareholders. GC Rieber AS' stake was 76.8%.

The company had 47 foreign owners holding a total of 0.19% of the shares.

OUTLOOK

In 2020, GC Rieber Shipping made a strategic decision to become a shipowner and project-house with focus on developing profitable and sustainable maritime projects. The sale of Polar Onyx concluded this transformation. Following the sale, GC Rieber Shipping's remaining investments are JV-Ice/Support (50% ownership) and the marine geophysical company Shearwater (8.5% ownership).

Furthermore, GC Rieber Shipping is debt free after the sale of Polar Onyx and holds a significant investment capacity for new projects.

Both Polar Onyx and Polar Baikal were delivered to their new owners in February 2022. The Ice/Support market is stable with indications of favourable developments in niche segments, however, the ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. GC Rieber Shipping is monitoring the situation closely to comply with all sanctions.

GC Rieber Shipping's in-house project management department holds extensive expertise within naval architecture engineering and newbuilding project development and has a longstanding history of turning innovative projects into high-end vessel assets. Building on the company`s strong heritage of managing complex customer requirements and technologies, GC Rieber Shipping is uniquely positioned to develop tailor-made and innovative solutions for customers world-wide.

GC Rieber Shipping targets environmentally and economically sustainable project developments within niche segments and is ready to invest in new vessel solutions contributing to the energy shift.

RESPONSIBILITY STATEMENT

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 31 December 2021 has been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations determined by the International Accounting Standards Board and adopted by the EU effective as at 31 December 2021, and that the information gives a true and fair view of the Group's assets, liabilities, financial position and profit or loss as a whole, and a fair review of the information as stated in the Norwegian Securities Trading Act, § 5-6 fourth section. We also confirm, to the best of our knowledge, that the annual report includes a fair review of important events that have occurred in the accounting period and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the coming accounting period, and major related-parties' transactions.

Bergen 18 March 2022
The Board of Directors of GC Rieber Shipping ASA

Paul-Chr. Rieber Chairman	Morten Foros Krohnstad Vice Chairman	Birthe Cecilie Lepsøe Board Member
Pål Selvik Board Member	Ingrid von Streng Velken Board Member	Einar Ytredal CEO

Financial Statement GC Rieber Shipping ASA Group 2021

SHORTCUTS

Consolidated Income Statement

GC RIEBER SHIPPING GROUP

(NOK 1 000)	NOTE	2021	2020
OPERATING INCOME			
Charter income		0	0
Other shipping related operating income		2 452	4 923
Total operating income	5,6	2 452	4 923
OPERATING EXPENSES			
Vessel operating expenses		0	0
Crew and catering expenses		0	0
Administration expenses	7,16,17	-23 918	-29 632
Total operating expenses		-23 918	-29 632
Gain (loss) from share issues in associated company	4	186 712	31 068
Profit from joint ventures and associates	4	-35 518	14 522
Earnings before interests, taxes, depreciations and amortisations (EBITDA)		129 728	20 881
Depreciation	10,16	-1 744	-1 744
Impairment / reversal of impairment on fixed assets		0	0
Gains (losses) on sale of fixed assets		0	0
Net operating income (EBIT)		127 984	19 137
FINANCIAL INCOME AND EXPENSES			
Financial income	18	3 101	3 518
Financial expenses	16,18	-658	-781
Realised currency gains (losses)	18	2 414	9 354
Unrealised currency gains (losses)	18	6 193	-14 477
Net income before taxes		139 034	16 751
Taxes	8	0	0
Profit from continuing operations		139 034	16 751
Profit from discontinued operations		38 877	-512 089
Net income for the year		177 911	-495 338
Basic and diluted earnings per share	9	2,07	-5,75
Earnings and diluted earnings per share continuing operations	9	1,62	0,19

Consolidated Statement of Comprehensive Income

GC RIEBER SHIPPING GROUP

(NOK 1 000)	2021	2020
Net income for the year	177 911	-495 338
OTHER COMPREHENSIVE INCOME:		
Items that will not be reclassified to profit or loss		
Changes in pension estimates	-472	644
Tax effect changes in pension estimate	104	-142
Items that may be subsequently reclassified to profit or loss		
Foreign currency translation subsidiaries, joint ventures and associated companies - continued operations	14 113	-25 642
Foreign currency translation subsidiaries discontinued operations	14 172	55 270
Foreign currency translation associated companies continued operations recycled	-9 474	0
Foreign currency translation subsidiaries discontinued operations recycled	-155 245	0
Sum comprehensive income for the year	41 109	-465 208

Consolidated Statement of Financial Position

GC RIEBER SHIPPING GROUP

SHORTCUTS

(NOK 1 000)	NOTE	31.12.2021	31.12.2020
ASSETS			
FIXED ASSETS			
Rights, pantents etc.	10	4 999	0
Total intangible fixed assets		4 999	0
Vessels	10	0	899 240
Machinery and equipment	10	0	8 583
Right-of-use asset	16	2 590	4 316
Total tangible fixed assets		2 590	912 139
Investments in joint ventures and associates	4	187 840	910 252
Other financial fixed assets		440 301	0
Other long-term receivables		0	8 539
Total financial fixed assets		628 141	918 791
Total fixed assets		635 730	1 830 931
CURRENT ASSETS			
Trade receivables	11	859	29 942
Other current receivables	11	625	18 856
Total receivables		1 484	48 798
Cash and cash equivalents	12	482 698	240 430
Total current assets		484 182	289 228
Assets classified as held for sale		593 821	0
Total assets		1 713 733	2 120 159

(NOK 1 000)	NOTE	31.12.2021	31.12.2020
EQUITY AND LIABILITIES			
EQUITY			
Share capital (86,087,310 shares at NOK 1.80)	13, 17	154 957	154 957
Portfolio of own shares (54,500 shares at NOK 1.80)	13	0	-98
Share premium		286 510	286 510
Paid in capital		441 467	441 369
Other equity		771 755	836 236
Total retained earnings		771 755	836 236
Total equity		1 213 222	1 277 605
LIABILITIES			
Pension liabilities	15	6 902	6 607
Total provisions		6 902	6 607
Long-term debt	14,16	853	787 673
Total long-term debt		853	787 673
Current portion of long-term debt	14	0	20 212
Trade payables		2 882	20 742
Public duties payable		1 595	1 862
Other current liabilities	19,16	4 337	5 458
Total current liabilities		8 814	48 273
Total liabilities		16 569	842 553
Liabilities of assets classified as held for sale		483 942	0
Total equity and liabilities		1 713 733	2 120 159

Bergen 18 March 2022
The Board of Directors of GC Rieber Shipping ASA

Paul-Chr. Rieber Chairman	Morten Foros Krohnstad Vice Chairman	Birthe Cecilie Lepsøe Board Member	Pål Selvik Board Member	Ingrid von Streng Velken Board Member	Einar Ytredal CEO

Consolidated Cash Flow Statement

GC RIEBER SHIPPING GROUP

(NOK 1 000)	NOTE	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES			
Net income before taxes		139 034	16 751
Taxes paid		0	0
Depreciation	10	1 744	1 744
Gain on sale of shares in associates	4	-186 712	-31 068
Profit from joint ventures and associates	4	35 518	-14 522
Currency losses (gains)		-8 607	5 123
Change in consumables and spare parts		0	2 689
Change in short term receivables		47 314	2 496
Change in current liabilities		-18 127	4 382
Change in other current assets and other liabilities		2 952	-6 295
Net cash flow from discontinued operations		-16 576	87 372
Net cash flow from operating activities		-3 459	68 672
CASH FLOW FROM INVESTMENT ACTIVITIES			
Payments from investments in financial assets		10 493	35 298
Payments from sale of shares in associates		440 092	0
Transaction costs	10	-10 455	0
Net cash flow from discontinued operations		339 875	281 178
Net cash flow from investment activities		780 005	316 476
CASH FLOW FROM FINANCING ACTIVITIES			
Installment financial lease	16	-1 705	-1 851
Dividend payment	13	-105 887	0
Net cash flow from discontinued operations		-428 586	-343 093
Net cash flow from financing activities		-536 178	-344 944
Net cash flow from discontinued operations		-105 287	25 457
Net change cash and cash equivalents		240 368	40 204
Cash and cash equivalents at 01.01.		240 430	211 528
Reclassification from cash to long term receivables		0	-8 531
Currency gains (losses) on cash and cash equivalents		1 900	-2 770
Cash and cash equivalents at 31.12.	12	482 698	240 430

Consolidated Statement of Changes in Equity

GC RIEBER SHIPPING GROUP

SHORTCUTS

Letter from the CEO
Corporate Governance
ESG Report 2021
Report of the Board of Directors for 2021
Financial Statement GC Rieber Shipping Group
Financial Statement GC Rieber Shipping ASA
Auditor's Report

(NOK 1 000)	SHARE CAPITAL	OWN SHARES	SHARE PREMIUM	FOREIGN CURRENCY TRANSLATION	OTHER EQUITY	TOTAL EQUITY
2020						
Balance at 1 January 2020	154 957	-98	286 510	373 040	928 402	1 742 814
Net income for the year					-495 338	-495 338
Other comprehensive income				29 628	502	30 130
Total income and expense for the year				29 628	-494 837	-465 208
TRANSACTIONS WITH SHAREHOLDERS						
Dividends to the shareholders					0	0
Balance at 31 December 2020	154 957	-98	286 510	402 668	433 565	1 277 605
2021						
Balance at 1 January 2021	154 957	-98	286 510	402 668	433 565	1 277 605
Net income for the year					177 911	177 911
Other comprehensive income				-136 434	-368	-136 802
Total income and expense for the year				-136 434	177 543	41 109
TRANSACTIONS WITH SHAREHOLDERS						
Sale of own shares		98			298	396
Dividends to the shareholders					-105 887	-105 887
Balance at 31 December 2021	154 957	0	286 510	266 234	505 519	1 213 229

Notes to the Consolidated Financial Statements

GC RIEBER SHIPPING GROUP

NOTE 1 – Corporate information

GC Rieber Shipping is a shipowner and project-house with focus on developing profitable and sustainable maritime projects.

The company has its headquarter in Bergen, with an additional 50% owned ship management company in Yuzhno-Sakhalinsk (Russia). The company is listed on Oslo Børs with ticker RISH.

The financial statements were authorised for issue by the Board of Directors on 18 March 2022.

NOTE 2 – Accounting policies

2.1 PRINCIPAL ACCOUNTING POLICIES
The consolidated financial statements of the GC Rieber Shipping ASA group (the "Group"), including comparable figures, have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations, published by the International Accounting Standards Board and adopted by the EU, effective as at 31.12.2019.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of the following assets:

- *financial assets and financial liabilities (including financial derivatives) at fair value through profit or loss.*

The preparation of financial statements in conformity with IFRS requires the use of estimates (note 2.20). It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in notes.

2.2 CHANGES IN ACCOUNTING POLICIES
There were no changes in accounting principles in 2021.

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency NOK or USD). The consolidated financial statements are presented in NOK, which is the parent company's functional and presentation currency.

Transactions in foreign currency
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary items are translated at the current exchange rate, non-monetary items that are measured at historical cost are translated at the rate in effect on the original transaction date, and non-monetary items that are measured at fair value are translated at the exchange rate in effect at the time when the fair value was determined. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies to year-end exchange rates are recognised in the income statement.

Group companies
The results and financial position of the Group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

A. assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
B. income and expenses for each income statement are translated at average exchange rates
C. exchange differences are recognised in other comprehensive income and specified separately in equity

When a foreign subsidiary is disposed of the accumulated exchange, differences related to that subsidiary are recognised in the income statement.

2.4 CONSOLIDATION PRINCIPLES, JOINT VENTURES AND ASSOCIATED COMPANIES

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Business combinations are accounted for using the acquisition accounting method. Companies, which are acquired or sold during the period, are included in the consolidated financial statements from the point in time when the parent company acquires control or until control ceases.

Jointly controlled entities are entities over which the Group has joint control through a contractual agreement between the parties.

The Group's interests in joint ventures and associated companies are accounted for using the equity method.

When the Group's share of losses in a joint venture/associate exceeds its interests in the joint venture/associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture/associate), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture/associate.

The company accounts of jointly controlled entities have been prepared for the same accounting year as the parent company and with uniform accounting policies.

Intra-Group transactions and balances, including internal profits and unrealised gains and losses, are eliminated.

Unrealised gains from transactions with associated companies and jointly controlled entities are eliminated in the Group's share of the associated company/jointly controlled entity. Correspondingly, unrealised losses are eliminated, but only if there are no indications of any impairment in the value of the asset that is sold internally.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and the share of other comprehensive income is recognised in other comprehensive income and adjusts the carrying amount of the investments. When the Group's share of losses in associates equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Any loans to the associates are measured according to other financial assets of the same category.

The Group's share of unrealised gains on transactions between the Group and its associates is eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounts of the associates have been changed, if necessary, to align the accounting policies with those of the policies in the Group.

2.5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank deposits, cash in hand and short-term bank deposits with an original maturity of three months or less. In some cases, the Group also enters into contracts for short-term deposits with maturity exceeding three months. See note 14 for further details.

2.6 TRADE RECEIVABLES

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 - 45 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs such services to a customer before the customer pays consideration for the service, a contract is recognised for earned consideration.

Trade receivables are recognised at nominal value and impairment tests are performed to measure expected credit losses.

2.7 FIXED ASSETS

Intangible fixed assets

The Group's intangible fixed assets are development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group and are recognised as intangible assets where the following criteria are met:

- *it is technically feasible to complete the vessel design so that it will be available for use*
- *management intends to complete the vessel design and use or sell it*
- *there is an ability to use or sell the vessel design*
- *it can be demonstrated how the vessel design will generate probable future economic benefits*
- *adequate technical, financial and other resources to complete the development and to use or sell the vessel design are available, and*
- *the expenditure attributable to the vessel design its development can be reliably measured*

Directly attributable costs that are capitalised as part of the vessel design include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The Group amortises intangible assets with a limited useful life using the straight-line method over 3-5 years.

Tangible fixed assets
Components of fixed assets that represent a substantial portion of a vessel's total cost price are separated for depreciation purposes and are depreciated over their expected useful lives. The useful life is the period that the Group expects to use the vessel, and this period can thus be shorter than the economic life. If various components have approximately the same useful life and the same depreciation method as other components, the components are depreciated collectively.

For vessels, the straight-line method for ordinary depreciation is applied, based on an economic life of 25 years from the vessel was new. With reference to IAS 16, Property, Plant and Equipment, the Group uses estimated recoverable amount as residual value. In special circumstances the Group will consider an alternative depreciation horizon if the circumstances so indicate, such as the purchase and/or upgrading of older vessels.

Improvements and upgrading are capitalised and depreciated over the remaining economic life of the vessel. The straight-line method for ordinary depreciation based on a period of 2.5 to 5 years is applied for periodic maintenance. The straight-line method for ordinary depreciation based on a life of 3 to 10 years is applied for other depreciable assets.

The depreciation period and method are assessed annually to ensure that the method and period used are in accordance with the financial realities of the fixed asset. The same applies to the scrap value. The scrap value of the vessels is calculated by multiplying the steel weight of the vessel by the prevailing market price for steel at the balance sheet date.

Fixed assets are valued at acquisition cost less any accumulated depreciation and write-downs. When assets are sold or disposed of, the acquisition cost and accumulated depreciation are reversed in the accounts and any loss or gain on the disposal is recognised in the income statement.

Fixed assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Each vessel together with any associated contracts is considered as a separate CGU.

Write-downs recorded in previous periods are reversed when there is information indicating that the recoverable amount is higher than the carrying amount. The reversal is limited to an amount that will bring the asset's a carrying amount back to the book value it would have had using the original depreciation method.

The Group capitalises expenses incurred at the docking of the Group's vessels and amortises these expenses over the period until the next docking ("the capitalisation method").

Vessels under construction are classified as fixed assets and are recorded at the value of the incurred expenses related to the fixed asset. Vessels under construction are not depreciated until the vessel is placed in service.

Financial fixed assets

Financial instruments at level 1

Fair value of financial instruments that are traded in active markets is market price at the balance sheet date. A market is active if the market rate is easily and regularly available from a stock exchange, broker, industrial classification, pricing service or regulatory authorities and these prices represent actual and regularly occurring transactions at the arm's length principle. Market price used for financial assets is current bid price. These instruments are included at level 1. Instruments at level 1 comprise primarily quoted equity instruments classified as held for trading or available for sale.

Financial instruments at level 2

Fair value of financial instruments that are not traded in an active market (for instance some OTC-derivatives) is determined by use of valuation methods. These valuation methods maximise the use of observable data when available and are to the smallest extent possible based on the Group's own estimates. If all material data required to determine fair value of an instrument, are observable data, the instrument is included at level 2.

If one or several material data are not based on observable market data, the instrument is included at level 3.

Special valuation methods used to appreciate financial instruments include:

- *Quoted market price or offered price for corresponding instruments.*
- *Fair value of interest rate swaps is calculated as the present value of estimated future cash flow based on observable yield curve.*
- *Fair value of forward contracts in foreign currency is determined by the present value of the difference between agreed forward exchange rate and the forward exchange rate of the currency at the balance sheet date multiplied with the volume of the contract in foreign currency*

2.8 LEASES

The Group recognises all identifiable lease agreements as a lease liability and a corresponding right-of-use asset, with the following exemptions:

- *short-term leases (defined as 12 months or less)*
- *low value assets*

For these leases, the Group recognises the lease payments as other operating expenses in the statement of profit or loss when they incur.

The Group presents leased assets (right-of-use assets) as other fixed assets in the balance sheet. The rental amount is taken to revenue linearly over the lease period. Initial direct costs incurred in establishing the lease are included in the carrying amount of the leased asset and expensed during the lease period.

The right-of-use asset is initially measured at cost, comprising the amount of the initial measurement of the lease liability. The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses. Depreciations are according to IAS 16 Property, Plant and Equipment, except that the right-of-use asset is depreciated over the earlier of the lease term and the remaining useful life of the right-of-use asset. IAS 36 Impairment of Assets applies to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

The lease liability is initially measured at the present value of the lease payments for the right-to-use the underlying asset during the lease term. The lease term represents the noncancellable period of the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease liability, reducing the carrying amount to reflect the lease payments made and measuring the carrying amount to reflect any reassessment of lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

The Group presents lease liabilities as long-term debt and other current (first year instalments) in the balance sheet.

The interest effect of discounting the lease liability is presented separately from the depreciation charge for the right-of use asset. The depreciation expense is presented with other depreciations, whereas the interest effect of discounting is presented as a financial item.

For more information, see note 16 Right-of-use asset and lease liabilities.

2.9 FINANCIAL INSTRUMENTS

Classification

The Group classifies its financial assets in the following measurement categories in accordance with IFRS 9:

- *those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss), and*
- *those to be measured at amortised cost.*

The classification depends on the nature of the financial instrument, and the contractual cash flow characteristics of the instrument.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or as other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies any debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in financial income/ - expenses. Impairment losses are presented as a part of financial expenses.*
- *Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income*

and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in financial income/ - expenses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

- *Fair value through profit or loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within financial income/- expenses in the period in which it arises.*

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in financial income/- expenses in the statement of profit or loss as applicable. Impairment losses and reversal of impairment losses on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group on a forward-looking basis assesses the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Hedging

The Group has decided not to apply hedge accounting. Derivatives held for hedging purposes are measured at fair value through profit and loss in the financial statements.

2.10 PROVISIONS

Provisions are accounted for in accordance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets. Provisions are recognised when, and only when, the Group has an existing liability (legal or assumed) as a consequence of events which have taken place, it is probable (more likely than not) that a financial settlement will occur, and the amount can be measured reliably. Provisions are reviewed at each balance sheet date and they reflect the best estimate of the respective liabilities. When the time factor is insignificant, the size of the provisions will be equal to the size of the expense required for redemption from the obligation. When the time factor is significant, the provisions will be the net present value of future payments to cover the obligation. Increase in the provision due to the time factor is presented as interest expenses.

2.11 EQUITY AND LIABILITIES

Equity and Liabilities

Financial instruments are classified as liabilities or equity, in accordance with the underlying financial reality. Interest, dividends, gains and losses related to a financial instrument classified as a liability are presented as an expense or income. Distributions to the financial instrument's holders, whose financial instruments are classified as equity, are charged directly to equity.

Own shares

The nominal value of the Group's own shares is presented in the balance sheet as a negative equity element. The purchase price in excess of the nominal value is recognised in other equity. Losses or gains originating from transactions with the Group's own shares are not recorded in the income statement.

Other reserves

Reserve for translation differences

Translation differences arise in connection with currency exchange differences in the consolidation of foreign entities. Currency exchange differences with respect to monetary items (liabilities or receivables) that are in reality part of the Group's net investment in a foreign unit are treated as translation differences. Upon the disposal of a foreign entity, the accumulated translation difference related to that entity is reversed and recorded in the income statement in the same period that the gain or loss on the disposal is recorded.

2.12 REVENUE RECOGNITION

IFRS 15 «Revenues from contracts with customers» deals with revenue recognition. The standard requires the customer contract to be divided into the individual performance obligations. A performance obligation can be a commodity or a service. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service.

The Group has categorised the revenues into Bareboat revenue, Time Charter revenue and revenues from technical management activity.

Time Charter and Bareboat Contracts

The Group's main source of income is charter hire of vessels. The vessels are chartered to customers both by Bareboat and Time Charter agreements. A Bareboat charter is a lease of the vessel. The rental amount is recognised linearly over the lease period.

A Time Charter contract contains both a lease, by a right to use the vessel, and service components which can include operation and maintenance of the vessel (including crew). The service components will be within the scope of IFRS 15. The volume of services provided are usually stable throughout the leasing period, and revenue will therefore be recognised on a linear basis over the lease term.

On Time Charter contracts, the Group only recognises Time Charter revenue when the vessels are on-hire. When the vessels are off-hire the Group does not recognise any Time Charter revenues except if the contracts can be negotiated with layup rates and for periodical maintenance days in accordance with contract, on which revenue is recognised. Revenues from Time Charter activity is classified as charter income. The contract period starts when the vessels is made available to the customer and ends on agreed return date.

Additional services for vessels on Time Charter contracts can be agreements regarding meals and accommodation onboard the vessel for extra crew onboard the vessel (charterers crew). For such revenue, the Group has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date. This income is therefore recognised in the amounts to which the Group has the right to invoice, according to the practical expedient in IFRS 15. This revenue classifies as other operating income.

Management fee
Management fee for technical management, project management, building supervision and maritime operations of vessels for external owners is considered a service that is recognised over time.

This revenue is presented as other shipping related operating income.

Reimbursables
The Group is considered agent for reimbursable income such as sale of bunkers and fuel, the revenue is therefore presented net of the cost in the income statement.

Dividend income
Dividend income is recognised when the shareholders' right to receive dividends has been determined by the general meeting.

2.13 PENSIONS
The Group accounts for its pension schemes in accordance with IAS 19, Employee Benefits.

In 2021 the Group had both defined contribution plans and defined benefit plans.

A defined contribution plan is a pension plan under which the Group pays premiums to publicly or privately administered insurance plans for pensions on a mandatory, contractual or voluntary basis. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits related to the employee service in current and prior periods. The premium payments are recorded as payroll expenses as they fall due. Prepayments are recorded as an asset to the extent they can be refunded or will reduce future premium payments.

A pension scheme that does not meet the definition of a defined contribution plan is a defined benefit plan. The Group's obligation to the employees consists of an obligation to contribute pension payments of a certain amount. The pension plan describes how the pension is calculated. The salary at or just before retirement, as well as the employee's length of service in the Group, are factors that will normally influence the pension.

The plan assets in defined benefit plans are measured at fair value. The pension obligation and the pension costs are determined by use of a linear contribution calculation. A linear contribution calculation distributes the contribution of future pension benefits linearly over the contribution period and considers the earned pension rights of the employees during a period as the pension cost of the year.

The introduction of a new defined benefit plan or an improvement of the existing defined benefit plan will entail changes in the pension obligation. The change is recognised immediately in the comprehensive income. The introduction of new plans or changes of existing plans which take place with retroactive effect, implying that the employees have immediately earned a paid-up policy (or a change in paid-up policy), is immediately recognised in the income statement. Gains or losses related to downsizing, or the termination of pension plans are recognised in the income statement when they occur. Actuarial gains or losses are recognised in the comprehensive income.

The pension obligation is calculated based on the present value of future cash flows. The discount rate is equal to the interest rate on preference bonds. The calculations have been performed by a qualified actuary.

2.14 BORROWINGS

Loans are recognised at fair value, net of any transaction costs. Loans are subsequently accounted for at amortised cost through the use of the effective interest rate, where the difference between the net proceeds and redemption value is recognised in the income statement over the term of the loan.

Borrowing expenses are recognised in the income statement when they incur. General and specific borrowing costs that are directly attributable to the purchase, construction or production of a fixed asset are capitalised. Qualifying assets are assets that take a substantial period of time to finalise for their intended use or sale. The capitalisation of borrowing expenses occurs when interest expenses are incurred during the construction period of the fixed asset. Borrowing expenses are capitalised until the point in time when the fixed asset is ready for use. If the cost price exceeds the fair value of the fixed asset, an impairment loss is recognised.

2.15 TAXES

The tax expense consists of payable tax and change in deferred tax. Deferred tax /deferred tax assets are calculated based on the differences between the financial and tax values of assets and liabilities, with the exception of:

- *deferred tax that arises as a result of goodwill depreciation that is not tax deductible.*
- *temporary differences related to investments in subsidiaries, associated companies or joint ventures, where the Group determines when the temporary differences will be reversed, and this is not assumed to occur in the foreseeable future.*

Deferred tax assets are recorded in the accounts when it is probable that the Group will have sufficient taxable profit to benefit from the tax asset. On each balance sheet date, the Group will review unrecognised deferred tax assets and the carrying amount of such assets. The companies recognise prior unrecognised deferred tax assets in the accounts if it becomes probable that the Group can make use of the deferred tax asset. Correspondingly, the Group will reduce the deferred tax asset if the Group can no longer benefit from the deferred tax asset. Deferred tax and deferred tax assets are measured based on the tax rates and tax legislation that are adopted or principally adopted on the balance sheet date for entities in the Group where temporary differences have arisen. Deferred tax and deferred tax assets are recognised in the accounts regardless of when the differences will be reversed. Deferred tax assets are presented as a non-current asset in the balance sheet.

Tax payable and deferred tax relating to actuarial deviations are recognised in the statement of comprehensive income. The tax effect of particular items is presented on a separate line in the statement of comprehensive income. Tax payable and deferred tax/deferred tax asset are measured at the tax rate which relates to earned, not distributed equity. The tax effect of dividends is considered when the Group has undertaken an obligation to distribute dividends.

2.16 CLASSIFICATION OF ASSETS AND LIABILITIES IN THE BALANCE SHEET

Assets meant for permanent ownership or use and receivables which are due later than one year after the end of the accounting period are classified as fixed assets. Other assets are classified as current assets. Liabilities which are due later than one year after the end of the accounting period are classified as long-term liabilities. Other liabilities are classified as current liabilities. Next year's instalments on long-term debt are classified as current liabilities in the balance sheet.

2.17 OPERATING SEGMENTS

Entering 2021 the Group presented accounting figures for the business segments Subsea & Renewables and Joint Ventures & Associates. Indirect attributable costs were allocated to the operating segments when applicable. Following the sale of vessels in 2021 and 2022, the Subsea & Renewables segment is presented as discontinued operations. Financial information regarding the segments is presented in note 5.

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

2.18 CONTINGENT LIABILITIES AND ASSETS

Contingent liabilities are defined as:

- *possible liabilities resulting from prior events where the existence of the liability depends on future events.*
- *liabilities which have not been recognised because it is not probable that they will lead to payments.*
- *liabilities which cannot be measured with an adequate degree of reliability.*

Contingent liabilities are not recorded in the financial statements. Significant contingent liabilities are disclosed unless the probability of the liability occurring is low. A contingent asset is not recorded in the financial statements; but will be disclosed if there is a certain probability that the Group will benefit from it.

2.19 EVENTS AFTER THE BALANCE SHEET DATE

New information about the Group's position at the balance sheet date has been taken into account in the financial statements. Events occurring after the balance sheet date that do not affect the Group's position at the balance sheet date, but will affect the Group's position in the future, have been disclosed if material.

2.20 USE OF ESTIMATES, JUDGEMENTS AND ASSUMPTIONS IN THE PREPARATION OF THE FINANCIAL STATEMENTS

Management has used estimates and assumptions which have affected the assets, liabilities, income and expenses, as well as the disclosures regarding potential obligations. This particularly relates to deferred tax assets, provisions for liabilities and write-downs of fixed assets when there are indications of impairment. The estimates may change as a consequence of future events. The estimates and the underlying assumptions are reassessed continuously. Changes in accounting estimates are recognised in the income statement in the period the changes occur. If the changes also relate to future periods, the effect will be distributed over the present and future periods.

Vessels

As a general principle, the Group performs impairment testing in order to determine a vessel's value in the balance sheet. Impairment testing includes obtaining broker valuations from different reputable brokers and use of calculations or tests of reasonableness of implicit rates derived from the valuations. Implicit rates (including both average day-rate and utilisation) are derived from a discounted cash flow model, making assumptions about the level of operating expenses, periodic maintenance and discount rate. Assumptions about the level of operating expenses and periodic maintenance are based on experience data and future budget. The discount rate is set as a weighted average cost of capital (WACC), where the required rate of equity is determined using capital asset pricing model (CAPM). The beta value is based on an analysis of comparable companies. Management considers if the rates derived from the analysis is consistent with management's own market expectations.

For the two Subsea & Renewables vessels being owned by GC Rieber Shipping in 2021, the fair value has been set at the negotiated selling prices for the vessels.

See note 10 for more information.

Deferred tax assets

Deferred tax assets are recognised in the balance sheet when it is probable that the Group will have sufficient future taxable profit to benefit from the tax asset. If sufficient taxable profit should not be achieved for the Group, deferred tax assets cannot be utilised and carried amount has to be recognised as expense partly or in full. Deferred tax assets are recorded at nominal value in accordance with IAS 12. Based on budgets taking into account the Group's existing market, the Group does not expect to be able to utilise the deferred tax assets through taxable profits in the near future.

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

Provisions for liabilities
Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that this will entail the payment or transfer of other assets to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

2.21 CASH FLOW STATEMENT
The Group's cash flow statement shows the Group's consolidated cash flows distributed between operating activities, investment activities and financing activities. The cash flow statement shows the impact of the different activities on the Group's cash and cash equivalents. The cash flow statement is presented based on the indirect method. The Group's cash and cash equivalents include securities (time deposits) as these financial instruments can be converted into cash immediately.

NOTE 3 – Group Companies

The consolidated financial statements consist of GC Rieber Shipping ASA and the following subsidiaries:

COMPANY	BUSINESS OFFICE	PARENT COMPANY	OWNER'S SHARE
GC Rieber Shipping AS	Norway	GC Rieber Shipping ASA	100%
Polar Ship Invest II AS	Norway	GC Rieber Shipping ASA	100%
Polar Ship Invest III AS	Norway	GC Rieber Shipping ASA	100%
Polar Shipping AS	Norway	GC Rieber Shipping ASA	100%
Polar Explorer AS	Norway	GC Rieber Shipping ASA	100%
Polarus AS	Norway	GC Rieber Shipping ASA	100%
GC Rieber Shipping BV	Netherlands	GC Rieber Shipping ASA	100%
Rieber Shipping AS	Norway	GC Rieber Shipping AS	100%
Polar Ship Invest AS	Norway	GC Rieber Shipping ASA	100%
Windkeeper Shipco I AS	Norway	Polar Ship Invest AS	100%
Windkeeper Shipco II AS	Norway	Polar Ship Invest AS	100%

NOTE 4 – Investments in Joint Ventures & Associates

As of 31.12.2021 the Group has the following investments in joint ventures & associates:

JOINT VENTURE / ASSOCIATED COMPANY	COUNTRY	BUSINESS	OWNER'S SHARE
Polar Pevek Ltd	Cyprus	Ice-breaker/tug	50%
OOO Polarus	Russia	Ice-breaker/tug/crew vessel	50%
OOO De Kastri Tugs	Russia	Ice-breaker/tug	50%
Shipworth Shipping Company Ltd	Cyprus	Crew vessel	50%

Joint venture – ice-breaker/tug and crew vessels
The Group has 50% ownership in the vessel Polar Pevek which operates as an ice-breaker/tug in Russia. The ownership and operation of the vessel is managed through two joint venture companies located in Cyprus and Russia respectively. The vessel has been on Time Charter for Exxon Neftegas Ltd. since 2006 and is firm until September 2023.

Furthermore, the Group has 50% ownership in the crew vessels Polar Piltun and Polar Baikal. The ownership and operation of the two vessels is managed through two joint venture companies located in Cyprus and Russia respectively. Polar Piltun has been on a long-term engagement with Sakhalin Energy Investment Company Ltd (SEIC) operating in the Sea of Okhotsk, Sakhalin in Russia. After completing the 2021-season Polar Piltun is currently idle. Polar Baikal was idle in 2021 and has been sold in the first quarter of 2022 to an undisclosed buyer. The sale will have limited accounting effects.

Combined cash holding of the ship-owning companies in Cyprus was USD 7.1 million (100%) as at 31.12.2021. The vessels located in Russia are valued at USD 31.2 million.

SHORTCUTS

The ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. GC Rieber Shipping is monitoring the situation closely to comply with all sanctions and will revert with further information if the contract status changes.

Below is a summary of the financial information of the joint ventures (100%) in USD 1000:

(USD 1000)	2021	2020
CONSOLIDATED BALANCE SHEET		
SHORT TERM ITEMS		
Cash and cash equivalents	10 671	10 350
Other current assets	2 281	4 415
Total current assets	12 952	14 765
Financial liabilities (ex. Trade payables)	0	-4 045
Other current liabilities (incl. Trade payables)	-1 057	-985
Total current liabilities	-1 057	-5 030
LONG-TERM ITEMS		
Assets	31 155	29 862
Total non-current liabilities	0	0
Net assets	43 050	39 597

(USD 1000)	2021	2020
CONSOLIDATED INCOME STATEMENT		
Operating income	14 349	17 885
Operating expenses	-4 302	-3 885
Depreciation	-3 854	-3 144
Financial income	0	8
Financial expenses	-160	-437
Result before tax	6 033	10 426
Tax	19	-189
Net income	6 052	10 238

Reconciliation between the condensed accounting information above and carrying share of joint ventures ice-breaker/tug and crew vessels:

(USD 1000)	2021	2020
Net assets 1 January	39 771	36 883
Result for the period	6 052	10 238
Dividends paid	-2 400	-7 350
Net assets 31 December	43 423	39 771
Current exchange rate at the balance sheet date	8,82	8,53
Net assets 31 December at the exchange rate on the balance sheet date (NOK 1000)	382 962	339 347
Owner share 50% (NOK 1000)	191 481	169 674
Group items (NOK 1000)	-3 641	-24
Carrying amount (NOK 1000)	187 840	169 650

Associated Company – Marine Seismic
(Shearwater Geoservices Holding AS, until July 2021)
Until July 2021, GC Rieber Shipping's investment in Shearwater Geoservices Holding AS (Shearwater) was reported as an associated company.

Shearwater operates as a global, customer-focused and technology-driven provider of marine geophysical services. Shearwater owns and operates a large fleet of seismic acquisition vessels, offering a full range of acquisition services including 3D, 4D and ocean bottom seismic. The company also has a portfolio of proprietary streamer technology and processing software enabling effective execution of geophysical surveys and delivery of high-quality data. The company has approximately 800 employees and operates in all major offshore basins across the world. This makes Shearwater a leading global and technology-driven full-service provider of marine geophysical services, able to deliver exceptional customer solutions.

In April 2021 Shearwater, at the time 17% owned by GC Rieber Shipping, announced two transactions where Shearwater took over marine seismic acquisition assets previously owned by Polarcus, from Tiger Moth AS, a company affiliated with Woodstreet Inc.. Shearwater acquired the streamers and related seismic equipment for a total cash consideration of USD 50 million. The company further purchased the six seismic acquisition vessels for a total consideration of USD 127.5 million. The transactions were financed through a new vessel loan facility provided by DNB and GIEK of USD 107.5 million and a convertible loan from Rasmussengruppen AS in the amount of USD 85 million. USD 15 million of the convertible loan was available for general corporate purposes.

On 9 July 2021, GC Rieber Shipping sold shares in Shearwater Geoservices Holding AS (Shearwater) reducing its ownership from 17.0% to 8.5%. Due to the reduced ownership and GC Rieber Shipping no longer being part of the shareholder agreement, the investment will from July 2021 not be reported in the income statement under «Profit from joint ventures and associates», but as a financial fixed asset at fair value.

Gain from the sale of shares in July 2021 was NOK 186.7 million, including value adjustment of the remaining shareholding and recycling of foreign currency translation differences:

FIGURES IN NOK MILLION	
Gain from the sale of shares	83,5
Value adjustment of remaining 8.5% ownership	93,8
Recycling of foreign currency translation differences	9,4
Total effect on consolidated income statement - sale of shares	**186,7**

For information about Shearwater after July 2021, see note 10 under financial fixed assets.

Significant events for the financial year 2020:
In January 2020, Shearwater completed a strategic vessel transaction with CGG S.A. ("CGG"), including the takeover of five high-end seismic vessels. Furthermore, a five-year capacity agreement for marine seismic acquisition services between Shearwater and CGG became effective. The transaction included five streamer vessels and two legacy vessels, previously owned by CGG Marine Resources Norge AS and Eidesvik Offshore ASA, five complete streamer sets previously owned by CGG and a long-term capacity agreement granting Shearwater a guaranteed cash flow and activity level for a period of five years. The capacity agreement included a minimum commitment of two vessel-years annually over the agreed five-year period. Following the transaction, GC Rieber Shipping's ownership in Shearwater was reduced from 20% to approximately 19% and GC Rieber Shipping booked a non-cash gain of NOK 52.6 million in the first quarter of 2020.

In December 2020, Shearwater signed new debt and guarantee facilities totalling USD 437 million with its lenders. The new facilities had two- and four-years maturities. They replaced approximately USD 500 million of debt under the old structure, effectively refinancing all corporate facilities except for the net liabilities assumed as part of the acquisition of the CGG vessels in January 2020. As part of the refinancing, Shearwater's existing shareholders

SHORTCUTS

contributed with USD 25 million of new equity. GC Rieber Shipping did not participate in the share issue.

Furthermore, in December 2020 Shearwater and CGG jointly agreed to suspend the negotiations of a planned marine streamer technology partnership announced in January 2020. The parties jointly agreed to settle a vendor note related to the transaction by issuing new Shearwater shares to CGG in accordance with the agreement signed in January 2020. GC Rieber Shipping booked a non-cash loss of NOK 21.6 million as a result of the two share issues in December 2020, and the ownership in Shearwater was reduced from 19% to 17%.

Below is a summary of the financial information of the associated company (100%):

(USD 1000)	2021*)
CONSOLIDATED INCOME STATEMENT	
Operating income	231 117
Operating expenses	-185 002
Depreciation and write-down	-64 766
Financial income	1 669
Financial expenses	-24 234
Result before tax	-41 216
Tax	-409
Net income	-41 625

*) For the period from 01.01.2021 – 09.07.2021.

(USD 1000)	2020
CONSOLIDATED BALANCE SHEET	
SHORT TERM ITEMS	
Cash and cash equivalents	95 332
Other current assets	108 035
Total current assets	203 367
Financial liabilities (ex. Trade payables)	-54 478
Other current liabilities (incl. Trade payables)	-54 167
Total current liabilities	-108 645
LONG-TERM ITEMS	
Assets	1 033 951
Financial liabilities	-610 195
Other liabilities	-8 889
Total non-current liabilities	-619 084
Net assets	509 589
CONSOLIDATED INCOME STATEMENT	
Operating income	589 725
Operating expenses	-429 050
Depreciation and write-down	-155 519
Financial income	44 842
Financial expenses	-60 508
Result before tax	-10 510
Tax	-1 167
Net income	-11 677

USD (1000)	2020
Net assets 1 January	434 702
Result for the period	0
Result not recognised in previous years	-2 622
Capital increase	89 185
Shares subscription	0
Net assets 31 December	**521 265**
Current exchange rate at the balance sheet date	8.53
Net assets 31 December at the exchange rate on the balance sheet date (NOK 1000)	4 348 111
Owner share 17% (NOK 1000)	740 602
Group items (NOK 1000)	0
Carrying amount (NOK 1000)	**740 602**

NOTE 5 – Segment information

The Group's management team, as presented on the Group's website, examines the Group's performance from a product perspective when defining operating segments. The management team has defined two operating segments: Subsea & Renewables and Joint Ventures and Associated Company. Joint Ventures and Associated Company consists of the market segments Ice/Support and Marine Seismic.

In December 2021, GC Rieber Shipping entered into an agreement to sell the SURF/construction vessel Polar Onyx. The vessel was delivered to the new owners 17 February 2022. Since Polar Onyx was the last owned vessel within the Subsea & Renewables segment, the segment is reported as discontinued operations as at 31.12.2021.

The geographic perspective is not a focal point in the internal management reporting for either of the segments.

The segments are considered to have different operational and financial risk profiles. Any transactions between the segments are carried out at arm's length and eliminated in the consolidated financial statements.

Joint Ventures & Associates

The Ice/Support-vessels owned through 50/50 joint ventures and operating in Russia are presented as joint ventures in the segment report.

The investment in Shearwater Geoservices Holding AS, previously reported as an associated company, is reported as a financial fixed asset from July 2021. See note 4 and 10 for further details.

SHORTCUTS

Segment information:

(NOK 1000)	OTHER	JOINT VENTURES & ASSOCIATES	TOTAL CONTINUING OPERATIONS	DISCONTINUED SUBSEA & RENEWABLES*
2021				
FROM THE INCOME STATEMENT				
Operating income	2 452	0	2 452	81 532
Gain (loss) from sale of share issues in associated company (see note 4)	0	186 712	186 712	0
Loss from associated company (see note 4)	0	-61 712	-61 712	0
Profit from joint venture (see note 4)	0	26 194	26 194	0
Operating profit before depreciation, write-down and gain (loss) on sale of fixed assets	-21 466	151 194	129 728	-20 890
Depreciation	-1 744	0	-1 744	-53 589
Write downs	0	0	0	-31 850
Profit from disposal of fixed assets	0	0	0	176 224
Net operating income	-23 210	151 194	127 984	69 896
FROM THE BALANCE SHEET				
Vessels, machinery and equipment	0	0	0	585 310
Debt to credit institutions	0	0	0	419 216
FROM THE CASH FLOW STATEMENT				
Operating profit before depreciation, write-down, and gain (loss) on sale of fixed assets	-21 466	151 194	129 728	-20 890
Repayment of long-term loans	0	0	0	-409 843
Sale of fixed assets	0	0	0	339 875
Investments	0	0	0	0
Other investing activities	253 582	10 493	264 075	0
Interest paid	0	0	0	-18 744
Dividend	-105 887	0	-105 887	0
Other changes	78 628	0	78 628	-16 576
Net change in cash and cash equivalents	204 857	161 687	366 544	-126 177

(NOK 1000)	OTHER	JOINT VENTURES & ASSOCIATES	TOTAL CONTINUING OPERATIONS	DISCONTINUED SUBSEA & RENEWABLES*
2020				
FROM THE INCOME STATEMENT				
Operating income	4 923	0	4 923	228 757
Gain (loss) from sale of share issues in associated company (see note 4)	0	31 068	31 068	0
Loss from associated company (see note 4)	0	-33 869	-33 869	0
Profit from joint venture (see note 4)	0	48 391	48 391	0
Operating profit before depreciation, write-down and gain (loss) on sale of fixed assets	-24 709	45 590	20 881	80 008
Depreciation	-733	0	-733	-104 119
Write downs	0	0	0	-459 085
Profit from disposal of fixed assets	0	0	0	0
Net operating income	-25 442	45 590	20 148	-483 196
FROM THE BALANCE SHEET				
Vessels				899 24[illegible]
Debt to credit institutions				807 88[illegible]
FROM THE CASH FLOW STATEMENT				
Operating profit before depreciation, write-down, and gain (loss) on sale of fixed assets	-24 709	45 590	20 881	80 00[illegible]
Repayment of long-term loans	0	0	0	-301 88[illegible]
Sale of fixed assets	0	0	0	281 19[illegible]
Investments	0	0	0	-1[illegible]
Other investing activities	0		0	[illegible]
Interest paid	0	0	0	-42 72[illegible]
Other changes	5 921	0	5 921	[illegible]
Net change in cash and cash equivalents	-18 788	45 590	26 802	16 57[illegible]

*) Up until October 2020, the Subsea & Renewables segment also included external ship management income and corresponding costs for providing ship management services

NOTE 6 – Operating Income

(NOK 1000)	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS SUBSEA & RENEWABLES*
2021		
TC hire	0	75 735
BB hire	0	0
Mangement fee	0	0
Misc revenues	2 452	5 798
Revenue from external customers	2 452	81 533
TIME OF REVENUE RECOGNITION		
At a point in time	0	0
Over time	2 452	81 533
In total	2 452	81 533

(NOK 1000)	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS SUBSEA & RENEWABLES*
2020		
TC hire	0	201 699
BB hire	0	0
Mangement fee	0	9 819
Misc revenues	4 923	17 238
Revenue from external customers	4 923	228 756
TIME OF REVENUE RECOGNITION		
At a point in time	0	0
Over time	4 923	228 756
In total	4 923	228 756

*) Up until October 2020, the Subsea & Renewables segment also included external ship management income and corresponding costs for providing ship management services

Discontinued operations
Until March 2021 the Group owned and operated two vessels within the Subsea & Renewables segment: Polar Queen and Polar Onyx. Polar Queen was sold in March 2021. Furthermore, in December 2021, GC Rieber Shipping entered into an agreement to sell the SURF/construction vessel Polar Onyx. The vessel was delivered to the new owners 17 February 2022. Following the sale of Polar Onyx, GC Rieber Shipping no longer own or operate vessels within the Subsea & Renewables market and the Subsea and Renewables segment is considered as discontinued operations.

The Group has categorised the revenues into Time Charter revenue, Bareboat revenue and up until October 2020 revenues from technical management activity.

The Group's main source of income has been charter hire of vessels. The vessels are chartered to customers both by Bareboat and Time Charter agreements.

BB hire (Bareboat hire) is revenue for lease of a vessel. Bareboat revenue will be recognised on a linear basis over the lease term.

TC hire (Time Charter hire) is revenue where the Group is to deliver vessels, equipment, and crew as a service to the customer based on a fixed fee/day rate. A Time Charter contract can be divided into a Bareboat element which is lease of vessel and a service component which can include operation and maintenance of vessel (including crew). The service component will be within the scope of IFRS 15. The volume of services provided are usually stable throughout the leasing period, and revenue will therefore be recognised on a linear basis over the lease term.

Out of total income in 2021, the Bareboat element was approximately NOK 14 million. Remaining income qualifies as IFRS 15 income.

Technical management fee was service fee for technical support and operation of 3rd party vessels.

SHORTCUTS

Miscellaneous revenues are additional services provided in connection with for example Time Charter contracts. Terms of payment in contracts with customers are from 30-45 days depending on contract.

Geographical information:

	2021		2020	
(NOK 1000)	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS
Norway	1 694	165	4 110	62 769
Great Britain	0	0	0	65 279
Netherlands	0	33 009	0	11 056
Other European countries	758	3 099	813	0
Africa	0	45 260	0	89 652
In total	2 452	81 533	4 923	228 756

The allocation of the operating income above is based on the country in which the customer is located.

All income related to the Subsea & Renewables segment is presented as discontinued in table above.

Fixed assets
Book value of vessels and other equipment geographically belongs to Norwegian companies. All fixed assets are per year-end 2021 presented as discontinued assets in the Consolidated Balance Sheet.

NOTE 7 – Payrole expenses, number of employees, remunerations etc.

Payroll expenses include wages to employees in the administration.

(NOK 1000)	2021	2020
Payroll office workers	13 573	12 167
Payroll tax	2 104	1 631
Pension costs	982	739
Other remunerations	50	258
Total payroll expenses	**16 709**	**14 795**

The Group has employer liability for the following number of employees:

	2021	2020
Office workers	9	8

The payroll expenses are included in the Group's administration expenses. For further specification see note 3 in GC Rieber Shipping ASA's financial statement of 2021.

Remuneration for Group management and Board of Directors:

(NOK 1000)	2021	2020
Wages	7 391	9 704
Other remunerations	51	108
Pension premium	732	792
Total Group management remunerations	**8 174**	**10 604**
Fees and remunerations for Board of Directors GC Rieber Shipping ASA	1 117	963
Total remunerations for the Board members of the Group	**1 117**	**963**

The Group's CEO is not employed in the company GC Rieber Shipping ASA, but has been contracted from the subsidiary GC Rieber Shipping AS. No agreements have been entered into with the Chairman of the Board with regard to special payments upon the termination or change of the Board position. Further, no agreements exist that grant employees or representatives entitlement to subscribe for or purchase or sell shares in the company.

(NOK 1000)	2021	2020
AUDIT FEE EXL VAT		
Audit fee	617	700
Tax consulting	39	749
Other services	79	6
Total auditor's fees	**735**	**1 455**

Discontinued operations

Payroll expenses for discontinued operations also include wages for employees in the administration that are considered to be part of the discontinued operations:

(NOK 1000)	2020
Payroll crew	74 431
Payroll office workers	15 898
Payroll tax	2 040
Pension costs	721
Total payroll expenses - discontinued operations	**93 090**

The wage costs are included in the line discontinued operations in the income statement.

NOTE 8 – Taxes

(NOK 1000)	2021	2020
INCOME TAX EXPENCE		
TAXES IN INCOME STATEMENT		
Tax payable in Norway	-123	161
Change in tax from previous periods	0	0
Change in deferred tax	0	0
Income tax expense (income)	-123	161
RECONCILIATION OF INCOME TAX EXPENSE OF THE YEAR		
Net income before taxes	177 788	-495 178
Nominal rate	22%	22%
Estimated tax based on nominal rate	39 113	-108 939
Effect of tonnage tax regime/tax payable outside Norway	22 359	109 66[illegible]
Deferred tax asset not recognised in the balance sheet	-61 314	7[illegible]
Permanent differences	-281	-64[illegible]
Other/correction of tax payable in previous periods	0	[illegible]
Income tax expense (income)	-123	16[illegible]
DEFERRED TAX		
Capital gains	0	14[illegible]
Other differences	-15 488	-11 96[illegible]
Financial instruments	0	[illegible]
Net financial items for companies in the tonnage tax regime	74	-5 97[illegible]
Pension liabilities	-6 902	-6 60[illegible]
Tax losses carried forward	-1 050 806	-981 65[illegible]
Basis for calculation of deferred tax	-1 073 122	-1 006 17[illegible]
Tax rate	22%	22[illegible]
Calculated deferred tax liabilities/assets in the balance sheet	-236 087	-221 35[illegible]
Deferred tax assets not recognised in the balance sheet	236 087	221 35[illegible]
Deferred tax liabilities/assets in the balance sheet	0	[illegible]

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

At 31.12.2021, deferred tax assets not recognised amount to NOK 236.0 million, whereof NOK 223.4 million relates to companies that are not subject to the tonnage tax regime.

By end of 2021 the Group had tax losses carried forward of NOK 1,050.8 million in Norway, whereof none was basis for capitalisation. The disclosure of deferred tax benefits on net tax reducing differences and carry forward losses, is based on estimated future earnings. From budgets based on the Group's existing market, the Group does not expect to be able to utilise the deferred tax assets through taxable profits in the near future.

NOTE 9 – Earnings per share

Earnings per share is calculated by dividing the net income for the year attributable to ordinary shares by the weighted average number of ordinary shares outstanding during the accounting period. The Group has no convertible loans or equity instruments and the diluted earnings per share is thus equal to earnings per share.

The company sold its 54,500 own shares (0.06% of the shares in the company) to employees in September 2021 and holds no own shares as at 31 December 2021.

	2021	2020
Net income for the year (NOK 1000)	177 911	-495 338
Net income for the year, continuing operations (NOK 1000)	139 034	16 751
Time weighted average number of shares applied in the calculation of earnings per share	86 048 936	86 032 810
Number of outstanding shares as at 31.12.	86 087 310	86 032 810
Basic and diluted earnings per share (NOK)	2,07	-5,76
Basic and diluted earnings per share continuing operations (NOK)	1,62	0,19

NOTE 10 – Fixed assets

Intangible fixed assets

(NOK 1000)	31.12.2021	31.12.2020
Development	4 999	0
Total rights, patents etc.	4 999	0

As at 31.12.21 GC Rieber Shipping has booked NOK 5.0 million in research and development, related to new ship designs.

Tangible fixed assets

(NOK 1000)	2021	2020
VESSEL AND MARINE EQUIPMENT		
Acquisition cost as at 01.01	1 930 073	2 716 165
+ Additions during the year	0	0
+ Additions during the year for periodic maintenance	0	0
- Disposals during the year	-709 423	-744 824
+ Changes in translation differences during the year	43 836	-41 268
= Acquisition cost as at 31.12.	1 264 486	1 930 073
Accumulated depreciation and impairment at 01.01.	1 030 832	1 026 924
+ Depreciation for the year	39 968	87 149
+ Depreciation of periodic maintenance for the year	7 062	9 105
+ Net impairment / reversal of impairment during the year	31 850	459 086
- Disposals during the year	-451 311	-463 382
+ Changes in translation differences during the year	22 489	-88 045
= Accumulated depreciation and impairment at 31.12.	680 890	1 030 832
Carrying amount as at 31.12.	583 595	899 240
Of which discontinued operations	583 595	0
Carrying value as at 31.12. of continuing operations	0	899 240
Depreciation for the year discontinuing operations	47 030	0
Impairment during the year discontinuing operations	31 850	0

The vessels have carrying amount in USD, which are converted to NOK by using the exchange rate on the balance sheet date in the consolidated financial statements. Changes in the exchange rate USD/NOK result in translation differences, which are recognised in the comprehensive income. Accumulated exchange translations are included in the amounts above.

The vessel Polar Queen was sold in March 2021. Gain from the sale of Polar Queen was NOK 21.0 million. Sale of vessel triggered the recycling of foreign transaction differences of NOK 155.2 million. Recycling of foreign currency transaction differences do not have cash effect and are presented as discontinued operations in the income statement.

In December 2021, GC Rieber Shipping entered into an agreement to sell the vessel Polar Onyx. The buyer was the offshore wind service conglomerate Dong Fang Offshore Co., Ltd, and Hung Hua Construction Co., Ltd. The vessel was delivered to the new owner 17 February 2022. Both vessel and equipment are considered to be part of discontinued operations, see note 24 for more information.

Depreciation rates of 4% to 12.5% have been applied for vessels and 6.67% to 33.33% have been applied for marine equipment. Capitalised periodic maintenance per 31.12.2021 amounts to NOK 7.7 million. (2020: NOK 13.5 million).

The net impairment of NOK 31.8 million in 2021 reflects the negotiated selling prices of Polar Queen and Polar Onyx. For 2020, total impairment of Subsea & Renewables asset values was NOK 459.1 million, representing the significant industry uncertainties due to the Covid-19 outbreak and volatile oil price.

(NOK 1000)	2021	2020
MACHINERY, INVENTORY, AND EQUIPMENT		
Acquisition cost 01.01.	60 194	60 177
+ Additions during the year	0	17
= Acquisition cost as at 31.12	60 194	60 194
Accumulated depreciation as at 01.01.	51 611	44 741
+ Depreciation for the year	6 870	6 870
+ Impairment during the year	0	0
= Accumulated depreciation and write down as at 31.12.	58 481	51 611
Carrying value as at 31.12.	1 713	8 582
Where of discontinued operations	1 713	0
Carrying value as at 31.12. of continuing operations	0	8 582

Machinery, inventory and equipment per year-end 2021 is presented as discontinuing assets in the Consolidated balance sheet.

Financial fixed assets

On 9 July 2021, GC Rieber Shipping sold shares in Shearwater Geoservices Holding AS (Shearwater) reducing its ownership from 17.0% to 8.5%. Due to the reduced ownership and GC Rieber Shipping no longer being part of the shareholder agreement, the investment previously reported in the income statement under «Profit from joint ventures and associates» is now reported as a financial fixed asset at fair value. See note 4 and 5 for further information.

Shearwater operates as a global, customer-focused and technology-driven provider of marine geophysical services. Shearwater owns and operates a large fleet of seismic acquisition vessels, offering a full range of acquisition services including 3D, 4D and ocean bottom seismic. The company also has a portfolio of proprietary streamer technology and processing software enabling effective execution of geophysical surveys and delivery of high-quality data. The company has approximately 800 employees and operates in all major offshore basins across the world. This makes Shearwater a leading global and

SHORTCUTS

technology-driven full-service provider of marine geophysical services, able to deliver exceptional customer solutions.

The shares in Shearwater are booked as financial assets at fair value according to the valuation methods described in note 2.7. When considering the fair value as at 31.12.2021, GC Rieber Shipping has assessed external valuations of Shearwater and market outlook, against the price per share in the last transaction in the share which was the sale of 4 997 711 shares by GC Rieber Shipping 9 July 2021. The sale was negotiated by knowledgeable, independent parties. Based on the assessment, the price per share in the last significant transaction in the share is considered to represent an appropriate estimate of the fair value of Shearwater as at 31.12.2021. External valuations substantiate GC Rieber Shipping's valuation as at 31.12.2021.

(NOK 1000)	31.12.2021	31.12.2020
Financial assets at fair value	440 301	0
Total financial fixed assets	**440 301**	**0**

NOTE 11 – Trade receivables and other current receivables

(NOK 1000)	2021	2020
TRADE RECEIVABLES AND OTHER RECEIVABLES		
TRADE RECEIVABLES		
Trade receivables gross	859	40 866
Provision for bad debt	0	-10 924
Trade receivables net	**859**	**29 942**
OTHER RECEIVABLES		
Prepaid expenses	625	9 920
Prepayment to Ship Manager	0	8 485
Re-invoiced expenses	0	451
Total other receivables	**625**	**18 856**
Total current receivables	**1 484**	**48 798**
Ageing profile trade receivables, not impaired at the end of the reporting period		
Receivables, not due	325	22 351
Receivables, due by 1-30 days	0	3 584
Receivables, due by 31-60 days	0	4 028
Receivables, due by 61-120 days	0	7 575
Receivables, due by > 120 days	534	3 329
Total	**859**	**40 866**
Provison for bad debt trade receivables		
Provision for bad debts 01.01	-10 924	-1 825
Provision made during the year	0	-10 924
Losses realised	10 924	1 825
Provision for bad debts 31.12	**0**	**-10 924**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 - 45 days and therefore are all classified as current. For more information

see note 2.6 Trade receivables.

Loss on trade receivables have been classified as operating expenses vessels in the income statement.

Regarding credit risk the Group aims to have a diversified contract portfolio. The Group endeavours to ensure that vessel contracts are only entered into with customers who have good payment ability and payment history, and the development in the market is closely monitored. In particular, this applies for contracts beyond a certain duration.

Of trade receivables 31.12.2021, none are still outstanding at the time the financial statement is signed.

Expected losses not accounted for are considered to be immaterial as at 31.12.2021.

Discontinued operations:

For more information, please see note 24.

NOTE 12 – Cash and cash equivalents

(NOK 1000)	2021	2020
BANK DEPOSITS AND CASH		
Bank deposits and cash	482 042	239 546
Tax withholdings	656	884
Bank deposits and cash	**482 698**	**240 430**

Bank deposits generate interest income based on the banks' prevailing terms at any given time.

NOTE 13 – Equity

	31.12.2021	31.12.2020
Ordinary shares		
Par value per share	1,80	1,80
Number of shares	86 087 310	86 087 310
Share capital (NOK 1000)	154 957	154 957

GC Rieber Shipping ASA's shares are listed on Oslo Børs with the ticker RISH. The total number of shares is 86 087 310.

OWN SHARES

The company sold its 54,500 own shares (0.06% of the shares in the company) to employees in September 2021, and holds no own shares as at 31 December 2021.

DIVIDENDS

Following GC Rieber Shipping's significantly strengthened financial position in 2021, GC Rieber Shipping and its lenders agreed to restore the provisions of the original credit facility agreement and reversed material changes introduced throughout the restructuring period. Specifically, investment and dividend restrictions were removed, and scheduled amortisation with full instalments restored. See note 14 for further details.

23 September 2021, an extraordinary general meeting approved an additional dividend of NOK 1.23 per share on the basis of the company's annual accounts for 2020. The additional dividend, a total of NOK 105.9 million, was paid to the shareholders 5 October 2021.

For the year ended 31.12.2021, the Board has proposed a dividend of NOK 0.50 per share, a total of NOK 43.0 million.

SHORTCUTS

Letter from the CEO

Corporate Governance

ESG Report 2021

Report of the Board of Directors for 2021

Financial Statement GC Rieber Shipping Group

Financial Statement GC Rieber Shipping ASA

Auditor's Report

NOTE 14 – Debt to credit institutions

Entering 2021, the Group had two Subsea & Renewables credit facilities. One was repaid in full in March 2021 following the sale of the vessel Polar Queen, and the other was repaid in full in February 2022 following the sale of the vessel Polar Onyx announced in December 2021.

As of February 2022 the Group is debt free.

Since Polar Onyx was the last owned vessel within the Subsea & Renewables segment, the segment was considered as discontinued operations as at 31.12.2021, and the debt presented as liabilities of discontinued operations in the balance sheet as at 31.12.2021.

(NOK 1000)		AVERAGE INTEREST RATE 2021	AVERAGE MATURITY	BALANCE SHEET 2021	BALANCE SHEET 2020	INTEREST PAYMENT 2021	INTEREST PAYMENT 2020
Mortgage debt with floating interest	Secured	USD LIBOR + 1.95%		0	264 307	0	23 604
Mortgage debt with fixed interest	Secured	USD CIRR 2.43 % + 1.6%		0	542 094	0	19 118
Amortisation effect, mortgage debt				0	-1 198	0	0
Mortage debt discontinued operations	Secured	USD CIRR 2.43 % + 1.6%	2 months	419 216	0	18 744	0
Total				419 216	805 203	18 744	42 722

There were several amendments to the credit facilities through 2021, and in the past four-year period:

In March 2018 GC Rieber Shipping negotiated better terms and certain amendments to the two credit facilities. The new terms and amendments included the following main elements;

- *Amortisation: 80% reduction in amortisations until 31 December 2020 (compared to original amortisation schedule)*
- *Final maturity date: 31 December 2022*
- *Cash sweep: Aggregate average consolidated cash in the Group during the six months prior to the sweep date in excess of the following threshold amounts;*
  - *NOK 150 million in 2019*
  - *NOK 120 million in 2020 and onwards*

  First cash sweep at 15 June 2019 and semi-annually thereafter
- *Interest rates: No amendments*
- *Financial covenants:*
  - *Minimum free liquidity of NOK 40 million until 31 December 2021, NOK 50 million thereafter*
  - *Loan to value: 110% until 31 December 2020*
- *Change of control: If GC Rieber AS controlled less than 50.1% of the Shares and votes in the Group or someone other than GC Rieber AS gains negative control in the Group.*

No dividend payments or other distributions from the Group could be made without the prior consent of the banks. However, the Group's lenders consented to the following: 24% of potential dividends from the shares of Shearwater Geoservices Holding AS or 24% of potential proceeds from the sale of such shares in whole or in part, could be redistributed to the shareholders of the Group by way of dividends, a share capital reduction or any other manner deemed appropriate by the Group.

Investments were limited to scheduled CAPEX and ordinary repairs related to the Subsea & Renewables vessels in the ordinary course of operation.

In August 2020, GC Rieber Shipping sold the vessel Polar King, and the vessels debt was repaid in full.

In September 2020, as a result of the challenging market conditions in 2020 with Covid-19 and highly volatile oil price, GC Rieber Shipping received further amendments to the two credit facilities. The new amendments included the following main changes with effect through 2021;

- *Prolonging the 80% reduction of scheduled amortisation*
- *Reducing the minimum equity ratio from 30% to 25%*
- *Suspending the minimum vessel value clauses*

Payment of the third- and fourth quarter instalments for 2020 was suspended until the final maturity date, provided that the same amounts were deposited to an escrow account. As of 31 December 2020, the amount was USD 1.0 million.

The lenders also granted waiver for the cash sweep mechanism in the second half of 2020, with the next cash sweep being in June 2021.

In March 2021, GC Rieber Shipping sold the vessel Polar Queen and repaid the vessel's debt in full. At the same time GC Rieber Shipping received further amendments to its remaining Subsea & Renewables credit facility related to the vessel Polar Onyx, prolonging the 80% reduction of scheduled amortisation and suspending the cash sweep mechanism until final maturity in December 2022. In consideration of the amendments, GC Rieber Shipping made a loan prepayment of NOK 69 million. The prepayment replaced the cash sweep payment scheduled for June 2021 of approx. NOK 46 million.

SHORTCUTS

In September 2021, following GC Rieber Shipping's significantly strengthened financial position through 2021, GC Rieber Shipping and its lenders agreed to restore the provisions of the original credit facility agreement and reversed material changes introduced throughout the restructuring period. Specifically, investment and dividend restrictions were removed, and scheduled amortisation with full instalments restored, applicable as at 31.12.2021

The Group was in compliance with the financial covenants throughout 2021.

The Group's long-term liabilities are exclusively denominated in USD and have been converted to NOK using the exchange rate at the balance sheet date.

Following the sale of Polar Onyx in February 2022 the Group is debt free.

The Group's net debt at 31.12.2021:

(NOK 1000)	2021	2020
NET DEBT		
Cash and cash equivalents	482 698	240 430
Mortgage debt - repayable within one year	0	-17 061
Mortgage debt - repayable after one year	0	-789 339
Amortisation effect, mortage debt	0	4 348
Lease liabilities - IFRS 16	-2 708	-2 682
Accrued interest cost	0	-3 150
Debt of discontinued operations	-419 216	0
Net debt	60 774	-567 455
Cash and cash equivalents	482 698	240 430
Gross debt - fixed interest rates	0	-542 094
Gross debt - variable interest rates	0	-264 307
Amortisation effect, mortage debt	0	1 198
Lease liabilities - IFRS 16	-2 708	-2 682
Debt of discontinued operations	-419 216	0
Net debt	60 774	-567 455

(NOK 1000)	CASH/CASH EQUIVALENTS	BORROW. DUE WITHIN 1 YEAR	BORROW. DUE AFTER 1 YEAR	AMORTISATION EFFECT, MORTAGE DEBT	ACCURED INTEREST COST	TOTAL
Net debt as at 1 January 2021	240 430	-17 061	-792 021	4 348	-3 150	-567 455
Discontinued operations		-402 155	792 021	-4 348	3 150	-567 455
Cash flows	240 368		0	0	0	240 368
Lease liabilities IFRS 16	0	0	-2 708	0	0	-2 708
Foreign exchange adjustments	1 900	0	0	0	0	1 900
Other non-cash movements	0	0	0	0	0	0
Net debt as at 31 December 2021	482 698	-419 216	-2 708	0	0	60 774

NOTE 15 – Pension costs and pension obligations

All employees have changed to defined-contribution plan.

Defined-benefit plan

The Group has a company pension scheme with tax deductions for its employees in a life insurance company. The pension scheme entitles future defined benefits. The benefits depend on the number of contribution years, the wage level at retirement and the size of the benefits from the National Insurance. Full retirement pension constitutes about 63% of the pension base (limited to 12G) and the pension scheme also includes disability and children's pensions. The retirement age is 67 years. The Group has the right to undertake changes in the pension scheme. These pension schemes are funded obligations.

All pension schemes have been treated in accordance with IAS 19. Changes in the pension obligations due to changes in actuarial assumptions are recognised in the comprehensive income. The discount rate is equal to the interest rate on covered bonds (OMF). If the discount rate is reduced by 1%, it will normally result in an increase in the gross pension obligation of 15% to 20%.

The pension cost is based on the actuarial assumptions as at 01.01, whereas the pension obligations are based on the actuarial assumptions at 31.12.

	2021	2020
ACTUARIAL ASSUMPTIONS		
Discount rate	1,90%	1,70%
Estimated return on plan assets	1,90%	1,70%
Inflation/Increase of National Insurance Basic Amount (G)	2,75%	2,25%
Rate of salary increase	2,75%	2,25%
Rate of pension increase	2,50%	2,00%
Number of deferred members	0	0
Number of pensioners	2	2
Mortality table	K-2013	K-2013

(NOK 1000)	2021	2020
SPECIFICATION OF THE GROUP'S NET PENSION COST		
Current service cost	0	9[illegible]
Interest expenses on benefit obligations	96	13[illegible]
Administration costs	-	-2[illegible]
Net pension cost	96	12[illegible]
Payroll tax	14	1[illegible]
Pension cost in the income statement	110	14[illegible]

(NOK 1000)	31.12.2021	31.12.2020
SPECIFICATION OF THE GROUP'S NET PENSION OBLIGATIONS		
Gross obligations, secured	0	0
Gross obligations, unsecured	-6 049	-5 79[illegible]
Fair value of plan assets	0	0
Payroll tax	-853	-81[illegible]
Book value of net pension obligations	-6 902	-6 607
Carrying value 01.01.	-6 607	-7 244
Cost in income statement	-110	-14[illegible]
Contributions during the year	326	31[illegible]
Recognised net actuarial (loss) / gain	-512	46[illegible]
Carrying value 31.12.	-6 902	-6 607

Actual return on plan assets per 31.12.2021 was 7.0%.

NOTE 16 – Right-to-use asset and leasing liability

IFRS 16 "Leases" sets out the principles for the recognition, measurement and disclosure requirements for both parties to a lease contract. IFRS 16 was effective for reporting periods beginning on or after 1 January 2019 and the Group adopted IFRS 16 on the effective date using a modified retrospective approach.

The Group is both a lessor, as it charters vessels to customers, and a lessee. The new requirements resulted in significant changes to the accounting model applied by lessees and primarily affected the Group's accounting for the operating leases as a lessee. The accounting for lessors was not significantly change.

To determine whether a contract contains a lease, it is considered whether the contract conveys the right to control the use of an identified asset. This is for the Group considered to only be the case for office leases. The Group has long term lease agreements on office premises and warehouses that was affected by implementation of IFRS 16. For the Group, these lease commitments resulted in the recognition of an asset (right-of-use) and a lease liability. The rental period is calculated based on the duration of the agreement plus any option periods if these with reasonable certainty will be exercised. Joint expenses etc. are not recognised in the lease liability for the rental contracts.

As permitted by IFRS 16, the Group chose to measure the right-of-use asset equal to the amount of the liability at the implementation date. The future payments under each lease arrangement have been discounted using the incremental borrowing rate applicable to the leased assets in order to calculate the lease liability recognized on the date of adoption.

The Group used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- *Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term*
- *The Group had no lease agreements in the balance sheet as of 1 January 2019*
- *Excluded initial direct costs from measuring the right-of-use assets at the date of initial application*

The liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 3.0%. As of 1 January 2019, the implementation effects were as following:

- *Right-of-use assets in the statement of financial position increased by NOK 3.6 million*
- *Lease liability in the statement of financial position increased by NOK 3.6 million*
- *Effect on equity amounted to 0*

There are no significant changes to the Group's profit but the cash flow statement for leases are affected with lease payments being presented as financing activities as opposed to operating activities. Some of the Group's commitments relates to arrangements that will not qualify as leases under IFRS 16.

(NOK 1000)	2021	2020
RIGHT-OF-USE ASSETS		
Balance at 1 January	4 316	6 042
New lease liabilities	0	0
Disposals during the year	0	0
Depreciation	-1 726	-1 726
Carrying amount as at 31 December	2 590	4 316
Depreciation method	Straight-line	Straight-line
Useful life (years)	4	4

SHORTCUTS

(NOK 1000)	2021	2020
LEASE LIABILITIES		
Balance at 1 January	4 413	6 068
New lease liabilites	0	0
Change in lease liabilities	0	0
Paid installment (cash flow)	-1 705	-1 655
As at 31 December	2 708	4 413
UNDISCOUNTED LEASE LIABILITY AND MATURITY OF CASH FLOWS		
Less than 1 year	1 920	1 820
1-4 years	853	2 730
Total discounted lease liability as at 31 December	2 773	4 550
Interest rate	3,00%	3,00%

The discount rate for the rental contracts is determined by looking at observable borrowing rates in the bond market. The interest rates are adapted to the actual lease contracts duration. Payment of interest related to lease liabilities is presented as cash flow from financing activities as this is best in accordance with the objective of the rental agreement. The Group has recognised its lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application.

(NOK 1000)	2021	2020
EFFECT ON CONSOLIDATED INCOME STATEMENT		
Administration cost - office rent	1 851	1 851
Depreciation - right-of-use asset	-1 726	-1 726
Interest cost - lease liabilities	89	163
Net effect consolidated income statement	214	288

NOTE 17 – Shareholders' information and transactions with related parties

The 20 largest shareholders in GC Rieber Shipping ASA as at 31 December 2021 (outstanding shares):

NAME	NUMBER OF SHARES	OWNER SHARE
GC Rieber AS	66 145 908	76,8%
AS Javipa	2 003 492	2,3%
GC Rieber Fondet	1 807 255	2,1%
Pareto Aksje Norge	1 478 737	1,7%
Viben AS	1 334 435	1,6%
Celsius AS	1 328 768	1,5%
Trioship Invest AS	1 190 000	1,4%
Delta AS	975 000	1,1%
Solomio AS	850 000	1,0%
Johanne Marie Rieber Martens	786 654	0,9%
Storkleiven AS	750 022	0,9%
Pelicahn AS	685 166	0,8%
Middelboe AS	553 306	0,6%
Benedicte Martens Nes	386 250	0,4%
Triofa 2 AS	278 001	0,3%
Mikkel Martens	225 949	0,3%
Dag Fredrik Jebsen Arnesen	212 000	0,2%
Thorild Marie Rong	210 648	0,2%
Bergen Råvarebørs AS	208 668	0,2%
Tigo AS	186 359	0,2%
Other Shareholders	4 490 692	5,2%
Outstanding shares	86 087 310	100,0%

CEO Einar Ytredal holds 40 885 shares, CFO Øystein Kvåle holds 28 900 shares and CCO Christoffer Knudsen holds 11 000 shares in the Group.

At 31.12.2021, GC Rieber AS owns 66 145 908 shares in GC Rieber Shipping ASA, constituting 76.8% of the outstanding shares in the Group. GC Rieber Holding AS, Pelicahn AS and AS Javipa together hold 50% of the shares in GC Rieber AS. Through non-controlling interests in these three companies, the Chairman of the Board, Paul-Christian Rieber, indirectly owns 29.3% of the shares in GC Rieber Shipping ASA.

No other Board members own shares in the Group.

The company sold its 54,500 own shares to employees in September 2021, and holds no own shares as at 31 December 2021.

Transactions with the parent company
One of the Group's subsidiaries has entered into lease agreements for storage premises and parking lots with subsidiaries of GC Rieber AS. The same subsidiary has entered into an agreement with GC Rieber AS concerning the purchase/hiring of ICT services and equipment as well as purchase of certain administrative services.

(NOK 1000)	2021	2020
ICT and administration expenses	4 559	6 548
Lease payments	280	453

Transactions with joint ventures & associates (the equity method)
The Group has had several transactions with joint ventures & associated companies. All transactions have been carried out as part of the ordinary operations and at arm's length prices.

The most important transactions are as follows:

(NOK 1000)	2021	2020
Management income - OOO Polarus	758	813
Other income – OOO Polarus	431	0
Management income - Shearwater	0	5 615
Total	1 189	6 427

The balance sheet includes the following amounts originating from transactions with joint ventures & associated companies:

(NOK 1000)	2021	2020
Trade receivables	599	598
Short term liabilities	0	0
Total (net)	599	598

NOTE 18 – Capital structure and financial risk management

(NOK 1 000)

1. CAPITAL STRUCTURE
The Group runs a capital-intensive business where the ongoing capital requirement mainly relates to investments in new vessels, reconstruction/conversion of vessels, and repayment of debt and possible acquisitions of companies. The Group aims at securing a long-term financing of new investments from acknowledged financial institutions that are acquainted with the Group's business. The terms of such financing will normally reflect the different investments' equity ratio, which in turn is normally influenced by the risk profile of the investments. Furthermore, the public listing of GC Rieber Shipping ensures that the Group has sufficient access to equity markets if and when a need for such recapitalisation should arise.

The Group's overall strategy is to have a capital structure involving satisfactory solidity and liquidity that ensures favourable terms on long-term financing and gives the Group the opportunity to have a stable dividend policy, combined with freedom of action and flexibility with regards to responding to new investment possibilities. Interest and instalments on the long-term financing will normally be repaid with the operating cash flows from the related investments, mainly from cash flows from operation of vessels.

Net debt ratio

The net debt ratio is calculated by dividing net interest-bearing debt on adjusted total capital. Net interest-bearing debt includes all debt on which interest is accrued as recorded in the balance sheet less cash and cash equivalents. Adjusted total capital is the equity recorded in the balance sheet, plus net interest-bearing debt.

The net debt ratio as at 31.12.2021 and 31.12.2020 is calculated as follows:

(NOK 1000)	2021	2020
Total mortgage debt incl. amortisation effect	0	805 203
Discontinued operations (total mortgage debt incl. amortisation effect)	419 216	0
Cash	-482 698	-240 430
Net interest-bearing debt incl. amortisation effect	-63 482	564 773
Total equity	1 213 222	1 277 605
Total capital (adjusted)	1 149 740	1 842 378
Net debt ratio	-5,52%	30,65%

The net debt ratio is negative as cash exceed interest-bearing debt as at 31.12.2021. The decrease in net debt ratio from 2020 is mainly related to repayment of debt following the sale of Polar Queen in March 2021 and the sale of shares in Shearwater in July 2021. See note 10 and 14 for further details.

As some subsidiaries have functional accounts in USD, changes in USD/ NOK exchange rates will affect the Group's equity.

Following the sale of Polar Onyx in February 2022 the Group is debt free.

2. BALANCE SHEET INFORMATION

The Group's financial assets and liabilities are included in the balance sheet as follows:

(NOK 1000)	2021	2020
FINANCIAL ASSETS AT AMORTISED COST		
Trade receivables	859	29 942
Cash and cash equivalents	482 699	240 430
Total financial assets	483 558	270 372

(NOK 1000)	2020	2020
LIABILITIES AT AMORTISED COST		
Interest bearing long-term debt	0	784 99[illegible]
Lease commitments - IFRS 16	2 708	2 682
Interest bearing short-term debt including accrued interest	0	20 212
Trade payables	2 882	20 742
Other current liabilities including short term lease commitments IFRS 16	4 337	7 320
Liabilities of dicontinued operations	419 216	
Total financial liabilities	429 143	835 947

The carrying values of financial assets and liabilities are assumed to be their fair values.

Security for capitalised assets

- *Security has not been provided for any of the Group's trade payables.*
- *The Group's vessels are pledged as collateral for interest-bearing debt of NOK 411.8 million.*

In 2021, the Group did not make use of derivatives in order to manage credit risk. The Group aims at a situation where the charterers provide parent company guarantees for their liabilities in connection with the lease agreements when this seems reasonable and commercially achievable.

The maximum risk exposure is represented by the carrying amount of the financial assets, including derivatives, in the balance sheet. As the counterparty in derivative transactions normally is a financial institution, the credit risk related to derivatives is considered limited. The Group therefore regards its maximum risk exposure to be equal to the carrying amount of trade receivables (note 11) and other current assets.

3. INCOME STATEMENT INFORMATION

The Group's profit and loss related to financial assets and financial liabilities are presented below:

(NOK 1000)	2021	2020
Currency gains on bank deposits and cash	0	2 770
Currency gains receivables	10 497	9 354
Interest income on bank deposits and cash	2 332	978
Other financial income	779	2 540
Total financial income in the income statement	**13 608**	**15 642**
Interest cost	658	781
Currency losses on bank deposits and cash	1 900	17 247
Total financial expenses in the income statement	**2 558**	**18 028**

The financial instruments have not been subject to hedge accounting, and the Group records change in fair value of financial instruments through profit or loss in accordance with IFRS 9.

4. FINANCIAL RISK MANAGEMENT

As the Group operates its business internationally, it is exposed to various risks: market risk (including foreign exchange risk and interest risk), liquidity risk, credit risk and geopolitical risk. The Group's primary risk management plan focuses on minimising the potential negative effects that unpredictable changes in the capital markets may have on the Group's financial results.

The Group continuously assesses the use of derivatives to reduce risk, in accordance with a strategy for hedging of interest rate and currency exposure adopted by the Board. The operative risk management is performed by the finance department and is regularly reported to the Board.

In the beginning of 2020, covid-19 stirred market fundamentals in a short amount of time. With the simultaneous dramatic fall in the oil price, the offshore industry and GC Rieber Shipping's business faced significant uncertainty world-wide. While GC Rieber Shipping did not lose any business as a result of these events, the Group faced higher costs keeping the vessels operational through the challenging times. See note 21 for further considerations around covid-19.

The ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. It is currently uncertain to what extent the business will be affected.

MARKET RISK

Foreign exchange risk

The Group operates internationally and is exposed to currency risk in several currencies. The Group's income is in USD, GBP, EUR and NOK, and costs are mainly in NOK, EUR and USD. In order to reduce the Group's foreign currency exposure, the Group's debt has mainly been held in USD. A continuous assessment is made regarding hedging of the expected future net cash flow in USD, GBP, EUR and other relevant currencies.

Based on the budgeted composition of the Group's operating income and operating expenses and liabilities for continuing operations the coming year, an increase in the USD/NOK, EUR/NOK and GBP/NOK exchange rate by NOK 1.00 will have immaterial effect on the result.

In addition, an increase in USD against NOK by 1.00 involves an increase in the equity through the comprehensive income by NOK 91 million.

Price risk - Bunkers

As a main principle, the Group is not exposed to any change in bunkers prices for vessels as this risk stays with the charterer. Consequently, the Group has not entered into any forward contracts to hedge the risk of changes in prices of bunkers.

Interest rate risk

The Group's interest rate risk is related to long-term loans.

As at 31.12.2021 the Group had interest-bearing debt of NOK 419.2 million related to discontinued operations, with a fixed CIRR rate. The debt was repaid in full following the sale of Polar Onyx in February 2022, leaving GC Rieber Shipping debt free.

See note 14 for further information on long-term liabilities.

On a general note, the Group assesses on a continuous basis how much of its exposure to interest rate fluctuations that shall be hedged.

CREDIT RISK

The Group's credit risk relates to cash and cash equivalents, trade receivables and derivative financial instruments (if any). The Group uses an "expected loss" model that focuses on the risk that a loss will incur, rather than whether a loss has been incurred. The Group has its cash and cash equivalents placed in financial institutions with high credit worthiness.

The Group aims to have a diversified contract portfolio. At the time, however, there are limited possibilities of diversifying with the Subsea & Renewables segment now discontinued and all charter activities being generated in the JV Ice/Support.

The Group endeavours to ensure that vessel contracts are only entered into with customers who have good payment ability and payment history, and the development in the market is closely monitored. In particular, this applies for contracts beyond a certain duration. The Group seeks to ensure that charterers provide parent company guarantees for their obligations under the contracts when commercially achievable. The Group has not guaranteed for any third-party liabilities.

The maximum risk exposure is represented by the carrying amount of the financial assets, including derivatives, in the balance sheet. As the counterparty in derivative transactions normally is a financial institution, the credit risk related to derivatives is considered to be minor. Therefore, the Group regards its maximum credit risk exposure to be equal to the carrying amount of trade receivables (note 11) and other current assets.

The Group's credit risk is considered to be moderate on an overall basis. For continuing operations, the expected losses are considered immaterial as at 31.12.2021.

SHORTCUTS

LIQUIDITY RISK

The Group's lenders are acknowledged Norwegian and international shipping banks. The Group's strategy is to have sufficient liquidity in the form of bank deposits, interest-bearing securities and credit facilities to ensure that the Group at all times can finance the operations and ongoing investments of a moderate size. The cash management policy of the Group includes investing liquidity in financial institutions with high credit worthiness and interest-bearing securities with high liquidity and low credit risk.

Undiscounted cash flows of the Group's assets and financial liabilities per 31.12.2021 are presented below:

	REMAINING PERIOD			
31.12.2021	**0-12 MONTHS**	**1-5 YEARS**	**MORE THAN 5 YEARS**	**TOTAL**
Restricted cash	0	0	0	0
Trade receivables and other receivables	1 484	0	0	1 484
Bank deposits and cash	482 698	0	0	482 698
Total financial assets	484 182	0	0	484 182
Interest-bearing long-term liabilities (Undiscounted)	0	0	0	0
Financial investments	0	0	0	0
Lease liabilities	1 920	853	0	2 773
Trade payables and other short-term liabilities	7 065	0	0	7 065
Interest-bearing long-term liabilities, discontinued operations (Undiscounted)	421 429	0	0	421 429
Total financial liabilities	430 414	853	0	431 267

31.12.2020	**0-12 MONTHS**	**1-5 YEARS**	**MORE THAN 5 YEARS**	**TOTAL**
Restricted cash	0	8 539	0	8 539
Trade receivables and other receivables	48 798	0	0	48 798
Bank deposits and cash	240 430	0	0	240 430
Total financial assets	289 228	8 539	0	297 767
Interest-bearing long-term liabilities (Undiscounted)	43 562	816 463	0	860 025
Financial investments	2 776	2 776	0	5 552
Lease liabilities	1 820	2 730	0	4 550
Trade payables and other short-term liabilities	26 242	0	0	26 242
Total financial liabilities	74 400	821 969	0	896 369

SHORTCUTS

HEDGING

The Group continuously assesses the use of derivative financial instruments to manage currency and interest rate risk. Hedge accounting is not applied, so all derivatives will be classified as trading instruments and measured at fair value thorough profit and loss. Cash flow hedging is mainly performed by entering into forward contracts and option structures regarding the sale of relevant currency against NOK. Realised gains/losses and changes in fair value are recognised in the income statement. There were no active forward contracts as at 31.12.2021 or 31.12.2020.

The Group's interest-bearing debt is denominated in USD with a fixed rate, and in its entirety related to discontinued operations as at 31.12.2021. See note 14 for further details.

On a general note, to increase the predictability of the Group's future interest expenses related to interest-bearing debt, assessments are made regarding the hedging of future interest payments. Any hedging is mainly carried out through entering into forward interest rate swap contracts. Realised gains/losses and changes in fair value are recognised in the income statement. As at 31.12.2021 the Group had no open interest rate derivatives, and the Group's portfolio of financial hedging instruments at the balance sheet was zero. The same applied for 31.12.2020.

5. FAIR VALUE ASSESSMENT

The table below shows financial instruments at fair value 31.12 according to the valuation methods described in note 2.7:

(NOK 1000)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
2021				
FINANCIAL ASSETS AT FAIR VALUE OVER PROFIT OR LOSS:				
Financial fixed assets	0	0	440 301	440 301
Total assets	0	0	440 301	440 301
2020				
FINANCIAL ASSETS AT FAIR VALUE OVER PROFIT OR LOSS:				
Financial fixed assets	0	0	0	0
Total assets	0	0	0	0

For further information about the financial instruments, see note 10 under financial fixed assets.

NOTE 19 – Other current liabilities

(NOK 1000)	2021	2020
Evaluation financial instruments	0	0
Accrued expenses	1 141	1 14[illegible]
IFRS 16 adjustments	1 749	1 705
Other	1 447	2 61[illegible]
Total other current liabilities	4 337	5 458

For discontinued operations, please see note 24 for more information.

NOTE 20 – Contingencies

Earn-out
In December 2021, GC Rieber Shipping received an earn-out of NOK 780 000 as a final settlement related to the sale of shares in Octio in 2012 and 2013.

NOTE 21 – Covid-19

In the beginning of 2020 Covid-19 stirred market fundamentals. With the simultaneous dramatic fall in the oil price, the offshore industry and GC Rieber Shipping's business faced significant uncertainty world-wide. While GC Rieber Shipping did not lose any business as a result of these events, the Group faced higher costs keeping the vessels operational through the challenging times.

GC Rieber Shipping does no longer provide ship management services and sold its last wholly owned vessel in February 2022. As such, the extent of operational challenges for the Group due to Covid-19 restrictions are reduced in 2022 compared to 2021 and 2020.

For 2022, potential risk is mainly related to the realisation of new projects and the Group's investments in joint ventures and financial fixed assets.

NOTE 22 –Events after balance sheet date

Sale Polar Baikal
GC Rieber Shipping has sold the crew boat Polar Baikal, owned through the 50/50 joint venture in the Ice/Support segment. The vessel has been chartered to the Sakhalin Energy Investment Corporation (SEIC) for 12 years. The sale will have limited accounting effects.

Business and assets in Russia
The ongoing war in Ukraine and related sanctions against Russia have increased the risk related to the Group's joint ventures and assets in Russia. It is currently uncertain to what extent the business will be affected. GC Rieber Shipping is monitoring the situation closely to comply with all sanctions and will revert with further information if the contract status changes.

NOTE 23 – Alternative preformance measurements

The Group presents alternative performance measurements (APM) that are regularly reviewed by management and aim to enhance the understanding of the Group's performance. APMs are calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described below:

Alternative performance measurements

MEASURE	DESCRIPTION	REASON FOR INCLUDING
OPERATING PROFIT BEFORE DEPRECIATION (EBITDA)	EBITDA is defined as operating profit, before impairment of tangible and intangible assets, depreciation of tangible assets. EBITDA represents earnings before interest, tax and depreciation, and is a key financial parameter for the Group.	This measure is useful in evaluating operating profitability on a more variable cost basis as it excludes depreciation and impairment related primarily to acquisitions that occurred in the past. EBITDA shows operating profitability regardless of capital structure and tax situations
OPERATING PROFIT (EBIT)	EBIT represents earnings before interest and tax.	EBIT shows operating profitability regardless of capital structure and tax situations.
NET INTEREST-BEARING DEBT	Net interest-bearing debt consists of both current and non-current interest-bearing liabilities less interest bearing financial assets, cash and cash equivalents.	Net interest-bearing debt is a measure of the Group's net indebtedness that provides an indicator of the overall statement. It measures the Group's ability to pay all interest-bearing liabilities within available interest- bearing financial assets, cash and cash equivalents, if all debt matured on the day of the calculation. It is therefore a measurement of the risk related to the Group's capital structure.
EQUITY RATIO	Equity divided by assets at the reporting date.	Measure capital contributed by shareholders to fund the Group's assets.
EARNINGS PER SHARE	Earnings divided by average number of shares outstanding.	Measures the Group's earnings on a per-share basis.

Other definitions

MEASURE	DESCRIPTION
MARKET VALUE	Calculated average vessel value between several independent brokers' estimates based on the principle of "willing buyer and willing seller".
CAPACITY UTILISATION	Capacity utilisation is a measure of the Group`s ability to keep vessels in operation and on contract with clients, expressed as a percentage. The capacity utilisation numbers are based on actual available days.
CONTRACT COVERAGE	Sum of undiscounted revenue related to secured contracts in the future. Optional contract extensions as determined by the client in the future are not included.

NOTE 24 – Discontinued operations

Until March 2021 the Group owned and operated two vessels within the Subsea & Renewables segment: Polar Queen and Polar Onyx. Polar Queen was sold in March 2021. Furthermore, in December 2021, GC Rieber Shipping entered into an agreement to sell the SURF/construction vessel Polar Onyx. The vessel was delivered to the new owners 17 February 2022. Following the sale of Polar Onyx, GC Rieber Shipping no longer own or operate vessels within the Subsea & Renewables market and the Subsea and Renewables segment is considered as discontinued operations.

Income statement – discontinued operations

(NOK 1000)	2021	2020
Operating income	81 532	228 757
Operating expenses	-102 422	-148 749
EBITDA*	-20 890	80 008
Depreciation	-53 589	-104 119
Write-down	-31 850	-459 085
Gains (losses) on sale of fixed assets	20 979	0
Foreign currency translation subsidiaries recycled	155 245	0
Operating profit (EBIT)	69 895	-483 196
Financial income	10 004	1 277
Financial expenses	-35 332	-40 459
Realised currency gains (losses)	1 914	-1 339
Unrealised currency gains (losses)	-7 727	10 777
Profit/loss before taxes	38 754	-512 939
Taxes	123	-161
Profit/loss from discontinued operations	38 877	-513 101
Basic and diluted earnings per share discontinued operations	0,45	-5,96

Operating income – discontinued operations

TC hire (time charter hire) are revenues where the Group is to deliver vessels, equipment and crew as a service to the customer based on a fixed fee/day rate. A time charter contract can be divided into a bareboat element and a service component. Out of total income per 31.12.2021, the bareboat element constitutes approximately NOK 14 million. Remaining income qualifies as IFRS 15 income.

Other revenue is additional services provided in connection with for example time charter contracts and fees for technical support and sales of bunkers.

Statement of financial position – discontinued operations

(NOK 1000)	31.12.2021
Vessels	583 597
Machinery and equipment	1 713
Total tangible fixed assets	585 310
Accounts receivables	8 511
Total receivables	8 511
Assets classified as held for sale	593 821
Long-term debt due within one year	419 216
Current liabilities	64 726
Liabilities of assets classified as held for sale	483 942

Current liabilities – discontinued operations

A deposit for the sale of Polar Onyx was received in December 2021 and is presented as part of current liabilities per 31.12.2021.

Provision for loss on trade receivables:

Of trade receivables considered as discontinued operations a provision of loss of NOK 5.7 million was accounted for per 31.12.2021. The provision for loss on trade receivables have been classified as operating expenses in the income statement for discontinued operations.

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To the General Meeting of GC Rieber Shipping ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GC Rieber Shipping ASA, which comprise:

- The financial statements of the parent company GC Rieber Shipping ASA (the Company), which comprise the statement of financial position as at 31 December 2021, 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, and
- The consolidated financial statements of GC Rieber Shipping ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, 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, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, 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.

Our opinion is consistent with our additional report to the Audit Committee.

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 and the Group as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International

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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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 9 years from the election by the general meeting of the shareholders on 12 April 2013 for the accounting year 2013.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Last year's focus area *Impairment assessment of vessels in the Subsea segment* is no longer current as an agreement to sell the remaining vessel was reached in December 2021. The other focus area last year *Impairment assessment of investment in Shearwater Geoservices Holding AS* remains. As parts of the investment was sold during the year the accounting method changed from using the equity method to using being recognized at fair value. The transaction does not change the fact that valuation of the investment remains an important issue.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investment in Shearwater Geoservices Holding AS	
GC Rieber Shipping ASA has an investment in 8,5% of the shares in Shearwater Geoservices Holding AS ("Shearwater"), with a total carrying amount of NOK 440 million at 31 December 2021. The investment represents just under a third of the Group's total assets. The investment is accounted for at fair value. We focused on the valuation of this investment because the investment constitutes a substantial share of the total assets, and because the fair value assessment has been subject to judgement from management. When determining the fair value, management assessed inputs such as transactions in the Shearwater shares and valuations performed by external parties.	We obtained management's fair value assessment and considered whether the assessment contained the elements and methodology expected for estimating fair value. We found the assessment to be in accordance with our expectations. The most recent publicly known transaction in the Shearwater shares was a transaction where GC Rieber Shipping AS was involved as the seller. Management has concluded that the valuation implied by the latest significant transaction in the Shearwater shares is considered to represent an appropriate estimate of the fair value of Shearwater. In making this assessment, management has also considered other inputs, including external valuations of Shearwater, and market outlook. We have reviewed the inputs, including the pricing in the last significant transaction, and the external valuations. We also challenged managements assumptions through discussions and the understanding we obtained about Shearwater. Overall, we found the assumptions made by management to be

There is uncertainty related to the valuation of Shearwater, including risk related to the future development of the seismic market. Even minute changes in the underlying assumptions may lead to significant variations in the fair value of *the shares*.We refer to note 10 in the financial statements where management explain their use of judgement and the process to arrive at a value for the investment in Shearwater.

consistent with our understanding of Shearwater and the market in which they operate.

We lastly evaluated the adequacy of the disclosures made in note 10 and found that disclosures appropriately explained management's use of judgement and valuation process.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that 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 to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group 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 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. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group'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 and the Group'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 and the Group 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 a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial

statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Opinion
We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name RISH ESEF 31.12.2021 have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities
Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.

Auditor's Responsibilities
For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Bergen, 18 March 2022
PricewaterhouseCoopers AS

Sturle Døsen
State Authorised Public Accountant

(This document is signed electronically)

Skatteetaten

Vår dato	Din/Deres dato	Saksbehandler
11.08.2022		Kjell Knutsen
800 80 000 Skatteetaten.no	Din/Deres referanse	Telefon 94897296
Org.nr 974761076	Vår referanse 2022/5666172	Postadresse Postboks 9200 Grønland 0134 OSLO

U.off.

GC RIEBER SHIPPING ASA
Postboks 1114 Sentrum
5809 BERGEN

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for 987974532 GC Rieber Shipping ASA

Vi viser til deres søknad av 8. august 2022 om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for GC Rieber Shipping ASA (org.nr 987 974 532).

Skatteetaten gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes 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

GC Rieber Shipping ASA fikk i brev av 20. november 2015 fra Skattedirektoratet tillatelse til å utarbeide årsregnskap og årsberetning på engelsk. Tillatelsen gjaldt selskapet med organisasjonsnummer 958 558 139. Organisasjonsnummeret 958 553 139 tilhører datterselskapet GC Rieber Shipping AS. Selskapet ønsker nå en dispensasjon der det er samsvar mellom selskapsnavn og organisasjonsnummer.

Fra søknaden av 8. august 2022 siteres ellers:

> Begrunnelsen for at selskapet ønsker dispensasjon fra språkkravet i regnskapsloven § 3-4 tredje ledd er den samme per dags dato som det var da vi søkte tilbake i 2015. Selskapet er et børsnotert selskap, arbeidsspråket er engelsk og selskapets virksomhet er shipping som er en internasjonal bransje med engelsk som forretningsspråk. Selskapet har også fått dispensasjon fra Oslo Børs til å benytte engelsk skriftspråk.

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 skatteetatens 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 selskapet er et børsnotert selskap og at de har fått dispensasjon fra Oslo Børs til å benytte engelsk skriftspråk. Videre vektlegges det at selskapet opererer i en internasjonal bransje der engelsk er forretningsspråket. 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

Gro Stangeland
underdirektør
Innsats, storbedrift
Skatteetaten

Kjell Knutsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

Brønnøysundregistrene

Organisasjonsnr: 987 974 532
GC RIEBER SHIPPING ASA
Postboks 1114 Sentrum
5809 BERGEN

Deres ref.	Vår ref.	Dato
AR499704010	2022800330	06.08.2022

Vedtak om ikke godkjent årsregnskap for regnskapsåret 2021

Du må sende årsregnskapet på nytt fordi det ikke oppfylte kravene i regnskapsloven § 8-2, jf. § 3-2.

Ved ny innsending må du:

*** Legge ved dispensasjon fra språkkravet for riktig virksomhet.** Navnet er riktig, men organisasjonsnummer er feil.

Forsinkelsesgebyr
Når Regnskapsregisteret ikke har mottatt komplett årsregnskap innen fristen, ilegges forsinkelsesgebyr, jf. regnskapsloven § 8-3 første ledd. Fristen for å unngå forsinkelsesgebyr finner du på www.brreg.no/innsending-av-arsregnskap/. Hvis du har sendt mangelfullt årsregnskap innen fristen, kan dere unngå forsinkelsesgebyr hvis du sender komplett årsregnskap senest to uker fra vedtaksdato.

Klagemulighet
Du kan klage på dette vedtaket. Klagefristen er tre uker fra du mottok vedtaket. Klageinstansen er Finansdepartementet, men du må sende klagen skriftlig til Regnskapsregisteret. Det må gå frem hvilket vedtak du klager på og klagen må være begrunnet, datert og undertegnet av klageren. Se forvaltningsloven §§ 28-32. Du har rett til å se sakens dokumenter, men med de begrensningene som følger av forvaltningsloven §§ 18 og 19.

Du trenger ikke å klage for å få årsregnskapet godkjent hvis du retter manglene og sender nytt komplett årsregnskap.

Gratis tilgang til norske lover finner du på www.lovdata.no.

Brønnøysundregistrene
Postadresse: Regnskapsregisteret, Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Med hilsen
Brønnøysundregistrene - Regnskapsregisteret

Margrethe Meyer Trælvik
seniorrådgiver

Susann Kristiansen
saksbehandler

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.