



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 922 927 332
Organisasjonsform: Aksjeselskap
Foretaksnavn: CHAMPION ENDURANCE AS
Forretningsadresse: Tveiteråsvegen 12
5232 PARADIS

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Tone B. Solstad
Dato for fastsettelse av årsregnskapet: 17.03.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

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, 30.07.2024



Resultatregnskap

Beløp i: USD	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Operating revenues	2	16 682 674	10 246 027
Sum inntekter		16 682 674	10 246 027
Kostnader			
Crew expenses	3	1 429 224	1 440 892
Management expenses		160 000	160 000
Ordinary depreciations	4	1 285 000	1 285 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	4		
Voyage expenses	2	9 172 734	6 206 335
Insurance premiums		181 738	184 598
Upgrading expenses			188 873
Spare, repairs and maintenance		573 889	466 442
Lubricating oil		107 082	134 989
Other expenses	2, 3	189 664	205 272
Sum kostnader		13 099 331	10 272 400
Driftsresultat		3 583 343	-26 373
Finansinntekter og finanskostnader			
Annen renteinntekt		12 468	
Net currency gain/(loss)		-5 621	-1 542
Sum finansinntekter		6 847	-1 542
Annen rentekostnad	5, 9	820 078	1 006 464
Other financial expenses		2 268	2 876
Sum finanskostnader		822 346	1 009 340
Netto finans		-815 499	-1 010 882
Ordinært resultat før skattekostnad		2 767 843	-1 037 255
Taxes	6	7 153	8 029
Ordinært resultat etter skattekostnad		2 760 690	-1 045 284
Årsresultat		2 760 690	-1 045 284



Resultatregnskap

Beløp i: USD	Note	2022	2021
Årsresultat etter minoritetsinteresser		2 760 690	-1 045 284
Totalresultat		2 760 690	-1 045 284
Overføringer og disponeringer			
To/(from) other equity		2 760 690	-1 045 284
Sum overføringer og disponeringer		2 760 690	-1 045 284



Balanse

Beløp i: USD	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Vessels	4, 5	9 263 363	9 801 716
Docking	4, 5	267 705	857 705
Sum varige driftsmidler		9 531 068	10 659 421
Finansielle anleggsmidler			
Other long-term receivables	5	481 900	728 540
Sum finansielle anleggsmidler		481 900	728 540
Sum anleggsmidler		10 012 968	11 387 961
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables		13 300	55 487
Stores		518 863	483 597
Other receivables		261 536	1 001 031
Sum fordringer		793 699	1 540 115
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents		2 349 516	640 443
Sum bankinnskudd, kontanter og lignende		2 349 516	640 443
Sum omløpsmidler		3 143 215	2 180 559
SUM EIENDELER		13 156 183	13 568 519

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: USD	Note	2022	2021
Innskutt egenkapital			
Share capital	7	111 360	111 360
Overkurs	8	2 859 586	2 859 586
Sum innskutt egenkapital		2 970 945	2 970 945
Opptjent egenkapital			
Other equity		3 324 388	563 698
Sum opptjent egenkapital		3 324 388	563 698
Sum egenkapital	8	6 295 333	3 534 643
Gjeld			
Langsiktig gjeld			
Utsatt skatt	6		
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	5	5 550 000	6 710 000
Shareholder loan	9		
Financial lease commitments	5		
Sum annen langsiktig gjeld		5 550 000	6 710 000
Sum langsiktig gjeld		5 550 000	6 710 000
Kortsiktig gjeld			
Konvertible lån	9		1 034 000
Liabilities to financial institutions	5		
Leverandørgjeld		398 970	942 858
Taxes payable	6	7 200	8 086
Kortsiktig konserngjeld			500 000
Other current liabilities		904 679	838 933
Sum kortsiktig gjeld		1 310 849	3 323 876
Sum gjeld		6 860 849	10 033 876
SUM EGENKAPITAL OG GJELD		13 156 182	13 568 519



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 619284

Enheten

Organisasjonsnummer: 922 927 332
Organisasjonsform: Aksjeselskap
Foretaksnavn: CHAMPION ENDURANCE AS
Forretningsadresse: Tveiteråsvegen 12
5232 PARADIS

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Tone B. Solstad
Dato for fastsettelse av årsregnskapet: 17.03.2023

Grunnlag for avgivelse

År 2022: Årsregnskap er elektronisk innlevert.
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022.

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, 29.07.2023



Organisasjonsnr: 922 927 332
CHAMPION ENDURANCE AS

RESULTATREGNSKAP

Beløp i: USD	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Operating revenues	2	16 682 674	10 246 027
Sum inntekter		16 682 674	10 246 027
Kostnader			
Crew expenses	3	1 429 224	1 440 892
Management expenses		160 000	160 000
Ordinary depreciations	4	1 285 000	1 285 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	4		
Voyage expenses	2	9 172 734	6 206 335
Insurance premiums		181 738	184 598
Upgrading expenses			188 873
Spare, repairs and maintenance		573 889	466 442
Lubricating oil		107 082	134 989
Other expenses	2, 3	189 664	205 272
Sum kostnader		13 099 331	10 272 400
Driftsresultat		3 583 343	-26 373
Finansinntekter og finanskostnader			
Annen renteinntekt		12 468	
Net currency gain/(loss)		-5 621	-1 542
Sum finansinntekter		6 847	-1 542
Annen rentekostnad	5, 9	820 078	1 006 464
Other financial expenses		2 268	2 876
Sum finanskostnader		822 346	1 009 340
Netto finans		-815 499	-1 010 882
Ordinært resultat før skattekostnad			
Taxes	6	7 153	8 029
Ordinært resultat etter skattekostnad		2 760 690	-1 045 284
Årsresultat		2 760 690	-1 045 284
Årsresultat etter minoritetsinteresser		2 760 690	-1 045 284
Totalresultat		2 760 690	-1 045 284
Overføringer og disponeringer			



To/(from) other equity	2 760 690	-1 045 284
Sum overføringer og disponeringer	2 760 690	-1 045 284



Organisasjonsnr: 922 927 332
CHAMPION ENDURANCE AS

BALANSE

Beløp i: USD Note 2022 2021

BALANSE - EIENDELER

Anleggsmidler Immaterielle eiendeler

Varige driftsmidler

Vessels	4, 5	9 263 363	9 801 716
Docking	4, 5	267 705	857 705
Sum varige driftsmidler		9 531 068	10 659 421

Finansielle anleggsmidler

Other long-term receivables	5	481 900	728 540
Sum finansielle anleggsmidler		481 900	728 540

Sum anleggsmidler		10 012 968	11 387 961
--------------------------	--	-------------------	-------------------

Omløpsmidler

Varer

Fordringer

Accounts receivables		13 300	55 487
Stores		518 863	483 597
Other receivables		261 536	1 001 031
Sum fordringer		793 699	1 540 115

Bankinnskudd, kontanter og lignende

Cash and cash equivalents		2 349 516	640 443
Sum bankinnskudd, kontanter og lignende		2 349 516	640 443

Sum omløpsmidler		3 143 215	2 180 559
-------------------------	--	------------------	------------------

SUM EIENDELER		13 156 183	13 568 519
----------------------	--	-------------------	-------------------

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital	7	111 360	111 360
Overkurs	8	2 859 586	2 859 586
Sum innskutt egenkapital		2 970 945	2 970 945

Opptjent egenkapital

Other equity		3 324 388	563 698
Sum opptjent egenkapital		3 324 388	563 698



Sum egenkapital	8	6 295 333	3 534 643
Gjeld			
Langsiktig gjeld			
Utsatt skatt	6		
Annen langsiktig gjeld			
Gjeld til			
kredittinstitusjoner	5	5 550 000	6 710 000
Shareholder loan	9		
Financial lease commitments	5		
Sum annen langsiktig gjeld		5 550 000	6 710 000
Sum langsiktig gjeld		5 550 000	6 710 000
Kortsiktig gjeld			
Konvertible lån	9		1 034 000
Liabilities to financial institutions	5		
Leverandørgjeld		398 970	942 858
Taxes payable	6	7 200	8 086
Kortsiktig konserngjeld			500 000
Other current liabilities		904 679	838 933
Sum kortsiktig gjeld		1 310 849	3 323 876
Sum gjeld		6 860 849	10 033 876
SUM EGENKAPITAL OG GJELD		13 156 182	13 568 519



Organisasjonsnr: 922 927 332
CHAMPION ENDURANCE AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall årsverk i regnskapsåret
0.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
--	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Pantstillelse</u>	<u>Beløp</u>
----------------------	--------------

<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
----------------------------------	---------------	------------------	-------------------------



CHAMPION ENDURANCE AS
Financial Statements 2022



CHAMPION ENDURANCE AS ***Directors' Report 2022***

Operating activities

The company was founded 20 May 2019 and is located in Bergen, Norway. The business of the company is to own or hire in MR size chemical/product tankers. Currently the company operates one vessel, MT "Champion Endurance". The vessel is operated commercially by the group company Champion Tankers AS.

Financial and operational review

Gross revenue for 2022 is usd 16,7 mill up from usd 10,2 mill in 2021. Net voyage profit (TCE earnings) is usd 7,5 mill compare to 4,0 mill in 2021.

Operating expenses amount to usd 2,6 mill, up from usd 2,8 mill in 2021. Operating profit before depreciations (EBITDA) is usd 11,8 mill, up from 9,0 mill in 2021. Ordinary depreciations amount to usd 1,3 mill, and operating profit is usd 3,6 mill, up from a zero result in 2021.

Net financial expenses are usd 0,8 mill. Net profit for the year is usd 2,7 mill, compare to an net loss of usd 1,0 mill in 2021

As per 31 December 2022 the total assets amount to usd 13,1 mill and the equity is usd 6,3 mill.

Going concern

The Board of Directors confirms that the annual accounts for 2022 have been prepared on a going concern basis and that this assumption is valid.

It is the Board's opinion that the financial statements provide a fair view of the Company's assets and liabilities, financial position and results.

Employees

The company has no employees and hence purchase services from well reputable companies based on a long-term relationship.

Environmental risk

Our vessels mainly transport edible products and to a lesser extent petroleum products, and we consider the risk of severe environmental accidents as low. Nevertheless, operation of vessels has an impact on the environment in general. The technical operations of the vessels are handled by recognised managers with extensive experience. No incidents with potential environmental impact have been reported during the fiscal year.

Financial risk and risk management

The Company is exposed to financial risk. All revenues are in USD. A large part of the operating expenses are in USD. To minimise currency risk, all long-term financing will be drawn in USD. However, there is currency risk related to operating expenses in other currencies than USD. Credit risk is considered low due to most customers settling the invoice before the cargo is discharged. Focus on cash management ensures sufficient liquidity to meet future obligations. The company is exposed to risk related to fluctuations in market freight rates due to trading in the spot market. The company has reduced this risk to a certain degree by entering into long term contracts of affreightment (COAs). The company does not have an insurance to cover the liabilities of the board members.



CHAMPION ENDURANCE AS ***Directors' Report 2022***

The Transparency Act

On 1st of July 2022 The Norwegian Transparency Act came into force. The Act shall promote enterprises' respect for fundamental human rights and decent working conditions. In compliance with the new requirements we will publish our transparency report on our website within 30th of June 2023.

Market outlook

Our market segment is influenced by the Clean Petroleum Product (CPP) market in general. In 2021 the COVID-19 virus outbreak had impact on the world trade in general resulting in lower demand for CPP and lower freight rates. In 2022 we have seen a bounce-back in seaborne trade volumes as oil demand has recovered as a result of Covid-19 vaccination programmes worldwide. From February 2022 the Russian invasion of Ukraine has affected the world trade and the transport industry resulting in changed trade flows and increasing ton-miles. The order book of newbuildings are historically low, and refined product inventories in the western hemisphere at all-time low levels. Based on this the outlook for our market remains very strong in 2023.

Bergen, 17th of March 2023

Karl L. Kvalheim
Chairman of the Board



Champion Endurance AS
Income Statement
USD

NOTES	OPERATING REVENUES AND EXPENSES	2022	2021
2	Operating revenues	16 682 674	10 246 027
	Total revenues	<u>16 682 674</u>	<u>10 246 027</u>
2	Voyage expenses	9 172 734	6 206 335
3	Crew expenses	1 429 224	1 440 892
	Insurance premiums	181 738	184 598
	Upgrading expenses	0	188 873
	Spare, repairs and maintenance	573 889	466 442
	Lubricating oil	107 082	134 989
	Management expenses	160 000	160 000
4	Ordinary depreciations	1 285 000	1 285 000
2, 3	Other expenses	189 664	205 272
	Total operating expenses	<u>13 099 331</u>	<u>10 272 400</u>
	Operating profit	<u>3 583 343</u>	<u>-26 373</u>
	FINANCIAL INCOME AND EXPENSES		
	Interest income	12 468	0
	Net currency gain/(loss)	-5 621	-1 542
5, 9	Interest expenses	820 078	1 006 464
	Other financial expenses	2 268	2 876
	Net financial items	<u>-815 499</u>	<u>-1 010 882</u>
	Net profit before taxes	<u>2 767 843</u>	<u>-1 037 255</u>
6	Taxes	7 153	8 029
	Net profit/(loss) for the year	<u>2 760 690</u>	<u>-1 045 284</u>
	Net profit/(loss) for the year	<u>2 760 690</u>	<u>-1 045 284</u>
	ALLOCATIONS AND DISTRIBUTIONS		
	To/(from) other equity	2 760 690	-1 045 284
	Total allocations and distributions	<u>2 760 690</u>	<u>-1 045 284</u>



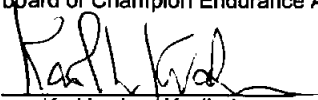
Champion Endurance AS
Balance Sheet as per 31 December
USD

NOTES	ASSETS	2022	2021
	<i>Non-current assets</i>		
	Property, plant and equipment		
4, 5	Vessels	9 263 363	9 801 716
4, 5	Docking	267 705	857 705
	Total property, plant and equipment	<u>9 531 068</u>	<u>10 659 421</u>
5	Other long-term receivables	481 900	728 540
	Total non-current financial assets	<u>481 900</u>	<u>728 540</u>
	Total non-current assets	<u>10 012 968</u>	<u>11 387 961</u>
	<i>Current assets</i>		
	Accounts receivables	13 300	55 487
	Stores	518 863	483 597
	Other receivables	261 536	1 001 031
	Total receivables	<u>793 699</u>	<u>1 540 115</u>
	Cash and cash equivalents	2 349 516	640 443
	Total current assets	<u>3 143 215</u>	<u>2 180 559</u>
	TOTAL ASSETS	<u>13 156 183</u>	<u>13 568 519</u>



Champion Endurance AS
Balance Sheet as per 31 December
USD

NOTES	EQUITY AND LIABILITIES	2022	2021
	Equity		
	Paid-in capital		
7	Share capital	111 360	111 360
8	Share premium	2 859 586	2 859 586
	Total paid-in equity	<u>2 970 945</u>	<u>2 970 945</u>
	Retained earnings		
	Other equity	3 324 388	563 698
	Total retained earnings	<u>3 324 388</u>	<u>563 698</u>
8	Total equity	<u>6 295 333</u>	<u>3 534 643</u>
	Liabilities		
5	Liabilities to financial institutions	5 550 000	6 710 000
	Total non-current liabilities	<u>5 550 000</u>	<u>6 710 000</u>
	Short-term liabilities		
	Trade payables	398 970	942 858
6	Taxes payable	7 200	8 086
	Short-term loan from affiliates	0	500 000
9	Shareholder loan	0	1 034 000
	Other current liabilities	904 679	838 933
	Total current liabilities	<u>1 310 849</u>	<u>3 323 876</u>
	Total liabilities	<u>6 860 849</u>	<u>10 033 876</u>
	TOTAL EQUITY AND LIABILITIES	<u>13 156 182</u>	<u>13 568 519</u>

Paradis, 17 March 2023
The board of Champion Endurance AS

Karl Lødrup Kvalheim
chairman of the board



Champion Endurance AS

Cash flow statement

(USD)

NOTES	CASH FLOW FROM OPERATING ACTIVITIES	2022	2021
	Profit before taxes	2 767 843	-1 037 255
	Taxes paid	-8 040	-8 343
	Depreciations and impairments	1 285 000	1 285 000
	Change in accounts receivables from customers	42 187	307 887
	Change in trade creditors	-543 888	-587 159
	Change in short-term debt group companies	0	1 534 000
	Change in other current assets and other current liabilities	769 978	-2 117 011
	Net cash flow from operating activities	4 313 080	-622 881
	CASH FLOW FROM INVESTING ACTIVITIES		
	Investments in fixed assets	-156 647	-120 673
	Other investments	246 640	-728 540
	Net cash flow from investing activities	89 993	-849 213
	CASH FLOW FROM FINANCING ACTIVITIES		
	Loan proceeds	0	7 000 000
	Loan repayment	-1 160 000	-290 000
	Repayment financial lease	0	-6 889 601
	Repayment of shareholder loans	-1 534 000	0
	Net cash flow from financing activities	-2 694 000	-179 601
	Net cash flow for the period	1 709 073	-1 651 695
	Cash and bank deposits as at 1.1.	640 443	2 292 138
	Cash and bank deposits as at 31.12.	2 349 516	640 443



Champion Endurance AS

Notes to the Financial Statements 2022

Note 1 – Accounting principles

The company was incorporated on 20th of May 2019.

Financial statements are prepared in accordance with The Norwegian Accounting Act of 1998 and Generally Accepted Accounting Principles. The accounting principles are described below.

The company is a part of the Nesttun Invest Group. The parent company, Nesttun Invest AS of Tveiteraasveien 12, 5232 Paradis, Norway, prepares group accounts. The group accounts are available at the business address of Nesttun Invest AS.

Principal rule for valuation and classification of assets and liabilities

Assets meant for permanent ownership or use in the business are classified as fixed assets. Other assets are classified as current assets. Accounts receivables due within one year are classified as current assets. The classification of current and long term liabilities is based on the same criteria.

Fixed assets are carried at historical cost, but are written down if a decline in fair value below the carrying amount is expected to be permanent. Fixed assets with a limited economic life are depreciated in accordance with a reasonable depreciation schedule. Long-term loans are carried at nominal value.

Current assets are valued at the lower of historical cost and fair value. Current liabilities are carried at nominal value.

Other items are valued as described below.

Functional currency and presentation currency

These financial statements are presented in USD which is the functional currency of the company. All figures in the notes are expressed in USD.

Vessels

Vessels are recorded at their cost less accumulated depreciation. Vessel are depreciated on a straight-line basis over their estimated useful economic life. The useful life of the vessels is estimated at 25 years from the date of initial delivery from the shipyard. Depreciation is based on cost less estimated residual scrap value. Residual scrap value is estimated as the lightweight tonnage of each vessel multiplied by the estimated scrap value per ton.

Vessels are assessed for impairment when events or circumstances indicate the carrying amount of the asset may not be recoverable. An impairment charge 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 transaction costs, and value in use.

Value in use is estimated calculating future discounted net operating cash flows expected to be generated by the vessel over its remaining useful life. Net operating cash flows are determined by applying various assumptions regarding discount rate, useful life of the vessel, future net voyage income, operating expenses, scheduled dry-dockings, expected off hire and scrap values, and taking into account historical revenue data, future budgets and published forecast on future world economic growth.



Champion Endurance AS

Notes to the Financial Statements 2022

Note 1 continued – Accounting principles

Drydock expenditure and maintenance

Expenditures incurred in drydocking are deferred and amortised until the next scheduled drydocking. At the time of purchasing the vessel, the acquisition price is decomposed to vessel and drydocking, and the drydocking is amortised until the next drydocking.

Expenses for routine maintenance and repairs are expensed as incurred.

When insured damages occur, insurance claims are recorded, net of any deductible amounts which are charged as expenses. Insurance claims are classified as short term receivables.

Inventories

Inventories consist of bunkers, lubricating oils and other consumables on board the vessels. Inventories are valued at the lower of cost or market value on a first-in-first-out basis.

Receivables

Trade receivables and other receivables are recorded at nominal value less provisions for expected losses. The loss provision is based on an individual assessment of each accounts receivable.

Revenues

Revenues from voyage charters are recognised rateably on a discharge-to discharge basis. Revenue under voyage charters will not be recognised until a charter has been agreed even if the vessel has discharged its previous cargo and is proceeding to an anticipated port of loading.

Revenues from time charter contracts are recognised over the term of the charter based on onhire days.

Revenues on cutoff voyages are recognised based on the number of days before and after the balance sheet date.

Voyage expenses

All voyage expenses are recognised proportionally with the voyage revenues. Voyage expenses on cutoff voyages are recognised based on the number of days before and after the balance sheet date.

Taxes

Taxes charged as expense consist of payable tonnage tax. The company is included in the Norwegian Tonnage Tax Regime which entitles the company to tax exemption on profits derived from ship operations provided payment of tonnage tax. However, possible future net financial income will be taxed with a tax rate of 22%. There is no provision for deferred tax on potential net financial income in the accounts.



Champion Endurance AS

Notes to the Financial Statements 2022

Note 2 – Related parties transactions

The group company, Champion Tankers AS, acts as commercial manager for the vessel operated by the company. Transactions related to the commercial management agreement are stated below.

	2022	2021
Income Statement:		
Operating revenues	<u>16 682 674</u>	<u>10 246 027</u>
Voyage expenses	<u>434 841</u>	<u>246 610</u>
Current assets:		
Accounts receivables	<u>13 300</u>	<u>55 487</u>

Companies owned by related parties have invoiced administration fees of USD 8 414.

Note 3 – Payroll costs, number of employees, remunerations etc.

	2022	2021
Crew expenses		
Crew expenses	<u>1 429 224</u>	<u>1 440 892</u>
Total crew expenses	<u>1 429 224</u>	<u>1 440 892</u>

The crew is hired from technical managers.

Remunerations to executives

No remunerations are paid to executives in the financial year.

Auditors' fee

	2022	2021
Auditor		
Statutory audit	5 132	4 195
Other services	4 057	4 445
Total	<u>9 189</u>	<u>8 640</u>



Champion Endurance AS
Notes to the Financial Statements 2022

Note 4 – Tangible fixed assets

	Vessels	Docking	Total
Aquisition cost 1.1.	11 299 716	1 474 705	12 774 421
Additions	156 674	0	156 674
Disposals	0	0	0
Aquisition cost 31.12.	11 456 390	1 474 705	12 931 095
Accumulated depreciations and impairments	2 193 027	1 207 000	3 400 027
Balance sheet value as at 31.12	9 263 363	267 705	9 531 068
Ordinary depreciations	695 000	590 000	1 285 000
Impairment charges	0	0	0
Depreciation period	11 years	2,5 years	

The carrying amount has been tested against broker valuations.

Note 5 – Liabilities to financial institutions, mortgages and guarantee liabilities

The company has entered into a term loan facility agreement with maturity date 15 October 2026. In January 2023 the facility is refinanced with new maturity date 14 January 2028 and repayment schedule as per below:

Year	USD
2023	1 202 643
2024	1 280 004
2025	928 332
2026	928 332
2027	928 332
2028	77 357
Total	5 345 000

A cash deposit of usd 350 000 and capitalised transaction costs of usd 131 900 related to the loan are recognised as long-term receivables in the balance sheet. The parent company, Ebony AS, has granted a share pledge for the company's obligations under the loan facility. The loan included in the company's accounts represents 50% of a joint loan together with the group company Champion Timur AS as co-borrower.



Champion Shipping AS

Notes to the financial statements 2022

Note 9 – Share capital and shareholder information

The share capital is USD 1 460 901. The share capital as at 31 December in NOK:

	Number of shares	Nominal value	NOK
Share capital	102 690	100	10 269 000

Owner structure

The shareholders of the company as at 31 December were;

Name	Number of shares	Owner stake
Nesttun Invest AS	93 044	90,61 %
Nest Trading AS	3 102	3,02 %
Skagerak Holding Pte Ltd	4 418	4,30 %
Champion Tankers AS	1 839	1,79 %
Transportfinans AS	287	0,28 %
Total	102 690	100,00 %

Number of shares controlled by board directors are 94 883 shares corresponding to 92,4% of the shares.

Note 10 – Equity

	Share capital	Share premium	Retained earnings	Total
Equity at 1.1.	1 460 901	12 028 793	19 179 840	32 669 534 0
Profit for the year			22 722 863	22 722 863
Equity at 31.12.	1 460 901	12 028 793	41 902 703	55 392 397



Champion Endurance AS

Notes to the Financial Statements 2022

Note 5 continued – Liabilities to financial institutions, mortgages and guarantee liabilities

Balance sheet value of pledged assets	2022	2021
	USD	USD
Vessels	9 531 068	10 659 421
Bank deposits	2 349 516	640 443
Total	<u>11 880 584</u>	<u>11 299 864</u>

Note 6 – Taxes

The tax expense for the year consists of;	USD
Tax payable on net financial income of the year	0
Tonnage tax for the year	7 200
Corrections for last year	-47
Taxes	<u>7 153</u>

Net financial losses brought forward amount to usd 475 000. Deferred tax asset related to losses brought forward is not recognised in the balance sheet.

Taxes payable in the balance sheet consist of;	2022	2021
Current liabilities:	USD	USD
Tonnage tax	7 200	8 086
Total taxes payable	<u>7 200</u>	<u>8 086</u>



Champion Endurance AS

Notes to the Financial Statements 2022

Note 7 – Share capital and shareholder information

	Number of shares	Nominal value	USD
Share capital	500	223	111 360

Owner structure

The shareholders of the company as at 31 December:

Name	Number of shares	Owner stake
Ebony AS	500	100 %
Total	500	100 %

Number of shares controlled by board directors are 500 shares corresponding to 100% of the shares.

Note 8 – Equity

	Share capital	Share premium	Retained earnings	Total
Equity at 1.1.	111 360	2 859 586	563 697	3 534 643
Profit/(loss) for the year	0	0	2 760 690	2 760 690
Equity at 31.12.	111 360	2 859 586	3 324 388	6 295 333

Note 9 – shareholder loan

The company has repaid the shareholder loans in 2022.

Note 10 - Subsequent events – refinance

In January 2023 the company refinanced the mortgage loan (please see note 5).



Deloitte AS
Lars Hilles gate 30
Postboks 6013 Postterminalen
NO-5892 Bergen
Norway

Tel: +47 55 21 81 00
www.deloitte.no

To the General Meeting of Champion Endurance AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Champion Endurance AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

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

Other Information

The Board of Directors (management) is responsible for the information in the Board of Directors' report. 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.

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

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

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

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 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.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.no to learn more.

© Deloitte AS

Registrert i Foretaksregisteret Medlemmer av Den norske Revisorforening
Organisasjonsnummer: 980 211 282

Permeo document key: KLFAF-AGY8H-ZDDEH-S2GPM-XPDBA-Q57D1



Deloitte

side 2
Independent Auditor's Report -
Champion Endurance AS

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bergen, 17 March 2023
Deloitte AS

Helge-Roald Johnsen
State Authorised Public Accountant

Penneo document key: KLFAF-KGY8H-ZDDEH-S2GPM-XPDBJ-Q57DI



PENNEO

The signatures in this document are legally binding. The document is signed using digital signatures. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Helge-Roald Johnsen

State Authorised Public Accountant (Norway)

Serial number: 9578-5999-4-1349856

IP: 217.173.xxx.xxx

2023-03-17 12:28:01 UTC



Penneo document key: KLFAF-KG18H-ZDDEH-S2GPM-XPDBJ-Q57D1

This document is digitally signed using Penneo.com. The digital signature data within the document is secured and validated by the computed hash value of the original document. The document is locked and timestamped with a certificate from a trusted third party. All cryptographic evidence is embedded within this PDF, for future validation if necessary.

How to verify the originality of this document

This document is protected by an Adobe CDS certificate. When you open the

document in Adobe Reader, you should see, that the document is certified by **Penneo e-signature service** <penneo@penneo.com>. This guarantees that the contents of the document have not been changed.

You can verify the cryptographic evidence within this document using the Penneo validator, which can be found at <https://penneo.com/validator>



Skatteetaten

Vår dato
06.09.2019

Din dato
12.08.2019

Saksbehandler
Turid Tysnes

800 80 000
Skatteetaten.no

Din referanse
AR331933928

Telefon

Org.nr
Skatteetaten

Vår referanse
2019/6297025

Postadresse
Postboks 9200 Grønland
0134 OSLO

CHAMPION TIMUR AS
Tveiteråsvegen 12
5232 PARADIS

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 12. august 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for følgende selskaper:

Champion Timur AS

org.nr. 921 001 053

Champion Endurance AS

org.nr. 922 927 332

Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

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

Bakgrunn

Selskapene er begge eid 50 % av Ebony AS og 50 % av TSMI Investment Ltd som hører hjemme på British Virgin Islands. Ebony AS er 100 % eid av Nesttun Invest AS. Selskapene driver internasjonal skipsfart med utenlandske kunder. Selskapene kjøper varer og tjenester utenfor Norge.

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 og lokalsamfunnet.

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapene er 50 % eid av et utenlandsk selskap. Eierkretsen er begrenset. Videre er det vektlagt at selskapene driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Turid tysnes
underdirektør
Brukerdialog, juridisk stab, gruppe 1
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.