



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 997 571 290  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: ISLAND VENTURES 4 AS  
Forretningsadresse: Stålhaugen 9  
6065 ULSTEINVIK

### Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Asbjørn Hasund  
Dato for fastsettelse av årsregnskapet: 08.06.2023

### 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, 09.08.2023



### Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt		38 136 803	42 458 565
<b>Sum inntekter</b>	2	<b>38 136 803</b>	<b>42 458 565</b>
<b>Kostnader</b>			
Varekostnad	2,6	10 023 939	9 645 114
Lønnskostnad	5,6	16 954 765	19 290 641
Avskrivning på varige driftsmidler og immaterielle eiendeler	4	3 386 408	901 765
Nedskrivning av varige driftsmidler og immaterielle eiendeler	4	12 757 988	
Annen driftskostnad	5,6	24 418 156	23 845 261
<b>Sum kostnader</b>		<b>67 541 257</b>	<b>53 682 780</b>
<b>Driftsresultat</b>		<b>-29 404 454</b>	<b>-11 224 215</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern			115 863
Annen renteinntekt		20 317	275
Annen finansinntekt	3	1 076 594	2 618 334
<b>Sum finansinntekter</b>		<b>0</b>	<b>0</b>
Rentekostnad til foretak i samme konsern		1 939 081	824 999
Annen finanskostnad	3	805 294	2 271 455
<b>Sum finanskostnader</b>		<b>0</b>	<b>0</b>
<b>Netto finans</b>		<b>-1 647 464</b>	<b>-361 982</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-31 051 918</b>	<b>-11 586 197</b>
<b>Ordinært resultat etter skattekostnad</b>		<b>0</b>	<b>0</b>
<b>Årsresultat</b>		<b>-31 051 918</b>	<b>-11 586 197</b>
<b>Totalresultat</b>		<b>-31 051 918</b>	<b>-11 586 197</b>
<b>Overføringer og disponeringer</b>			
Udekket tap		-31 051 918	-11 586 197



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Sum overføringer og disponeringer	8	-31 051 918	-11 586 197



### Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Sum immaterielle eiendeler		0	0
<b>Varige driftsmidler</b>			
Skip, rigger, fly og lignende	4		4 719 257
Sum varige driftsmidler		0	4 719 257
<b>Finansielle anleggsmidler</b>			
Sum finansielle anleggsmidler		0	0
Sum anleggsmidler		0	4 719 257
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer		195 055	1 150 470
Sum varer		0	0
<b>Fordringer</b>			
Kundefordringer		3 865 474	10 571 930
Andre fordringer	6	5 184 083	5 373 508
Sum fordringer		9 049 557	15 945 438
<b>Investeringer</b>			
Sum investeringer		0	0
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende		4 041 674	22 222
Sum bankinnskudd, kontanter og lignende		4 041 674	22 222
Sum omløpsmidler		13 286 286	17 118 129
<b>SUM EIENDELER</b>		<b>13 286 286</b>	<b>21 837 386</b>



## Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	9	100 800	100 800
Overkurs		380	380
Annen innskutt egenkapital		0	0
<b>Sum innskutt egenkapital</b>		<b>101 180</b>	<b>101 180</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital		-66 798 638	-35 746 720
<b>Sum opptjent egenkapital</b>		<b>-66 798 638</b>	<b>-35 746 720</b>
<b>Sum egenkapital</b>	8	<b>-66 697 458</b>	<b>-35 645 540</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Sum avsetninger for forpliktelser</b>		<b>0</b>	<b>0</b>
<b>Annen langsiktig gjeld</b>			
Øvrig langsiktig gjeld	6	10 000 000	
<b>Sum annen langsiktig gjeld</b>		<b>10 000 000</b>	<b>0</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		2 054 581	3 859 161
Annen kortsiktig gjeld	6	67 929 164	53 623 765
<b>Sum kortsiktig gjeld</b>		<b>69 983 744</b>	<b>57 482 926</b>
<b>Sum gjeld</b>		<b>79 983 744</b>	<b>57 482 926</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>13 286 286</b>	<b>21 837 386</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 656796

#### Enheten

Organisasjonsnummer: 997 571 290  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: ISLAND VENTURES 4 AS  
Forretningsadresse: Stålhaugen 9  
6065 ULSTEINVIK

#### Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

#### Konsern

Morselskap i konsern: Nei

#### Regnskapsregler

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

#### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Asbjørn Hasund  
Dato for fastsettelse av årsregnskapet: 08.06.2023

#### Revisjon

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet: Ja

#### 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, 08.08.2023



Organisasjonsnr: 997 571 290  
ISLAND VENTURES 4 AS

## RESULTATREGNSKAP

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt		38 136 803	42 458 565
<b>Sum inntekter</b>	<b>2</b>	<b>38 136 803</b>	<b>42 458 565</b>
<b>Kostnader</b>			
Varekostnad	2,6	10 023 939	9 645 114
Lønnskostnad	5,6	16 954 765	19 290 641
Avskrivning på varige driftsmidler og immaterielle eiendeler	4	3 386 408	901 765
Nedskrivning av varige driftsmidler og immaterielle eiendeler	4	12 757 988	
Annen driftskostnad	5,6	24 418 156	23 845 261
<b>Sum kostnader</b>		<b>67 541 257</b>	<b>53 682 780</b>
<b>Driftsresultat</b>		<b>-29 404 454</b>	<b>-11 224 215</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern			115 863
Annen renteinntekt		20 317	275
Annen finansinntekt	3	1 076 594	2 618 334
<b>Sum finansinntekter</b>		<b>0</b>	<b>0</b>
Rentekostnad til foretak i samme konsern		1 939 081	824 999
Annen finanskostnad	3	805 294	2 271 455
<b>Sum finanskostnader</b>		<b>0</b>	<b>0</b>
<b>Netto finans</b>		<b>-1 647 464</b>	<b>-361 982</b>
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<b>Ordinært resultat etter skattekostnad</b>		<b>0</b>	<b>0</b>
<b>Årsresultat</b>		<b>-31 051 918</b>	<b>-11 586 197</b>
<b>Totalresultat</b>		<b>-31 051 918</b>	<b>-11 586 197</b>
<b>Overføringer og disponeringer</b>			
Udekket tap		-31 051 918	-11 586 197
<b>Sum overføringer og disponeringer</b>	<b>8</b>	<b>-31 051 918</b>	<b>-11 586 197</b>



Organisasjonsnr: 997 571 290  
ISLAND VENTURES 4 AS

## BALANSE

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Sum immaterielle eiendeler		0	0
<b>Varige driftsmidler</b>			
Skip, rigger, fly og lignende	4		4 719 257
Sum varige driftsmidler		0	4 719 257
<b>Finansielle anleggsmidler</b>			
Sum finansielle anleggsmidler		0	0
Sum anleggsmidler		0	4 719 257
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer		195 055	1 150 470
Sum varer		0	0
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Kundefordringer		3 865 474	10 571 930
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<b>Investeringer</b>			
Sum investeringer		0	0
<b>Bankinnskudd, kontanter og lignende</b>			
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Sum omløpsmidler		13 286 286	17 118 129
<b>SUM EIENDELER</b>		<b>13 286 286</b>	<b>21 837 386</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	9	100 800	100 800
Overkurs		380	380
Annen innskutt egenkapital		0	0



Sum innskutt egenkapital		101 180	101 180
<b>Opptjent egenkapital</b>			
Annen egenkapital		-66 798 638	-35 746 720
Sum opptjent egenkapital		-66 798 638	-35 746 720
Sum egenkapital	8	-66 697 458	-35 645 540
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Sum avsetninger for forpliktelser		0	0
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	6	10 000 000	
Sum annen langsiktig gjeld		10 000 000	0
Sum langsiktig gjeld		0	0
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		2 054 581	3 859 161
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Organisasjonsnr: 997 571 290  
ISLAND VENTURES 4 AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

**Note**

1

**Regnskapsprinsipper**

Island Ventures 4 AS is included in the consolidated financial statement for Island Offshore Shipholding, L.P. , c/o Island Offshore Shipping AS, Stålhaugen 12, 6065 Ulsteinvik, Norway. The financial statements are prepared in accordance with the Norwegian Accounting Act and Generally Accepted Accounting Principles in Norway. The significant principles are described below. Revenue and expense recognition Revenue and costs related to vessel operations are recorded based upon the number of journey days before and after the end of the accounting year. Recording of rent agreements Rent agreements are recorded in accordance with the transaction principle and is in accordance with the economic content of the agreement. Operating agreements are accounted for as expenses and are collocated with the corresponding revenue in the corresponding period. Capitalized periodical maintenance (dry docking) The Company has a program for maintenance and classification of machinery, equipment and hulls. Expenses are capitalized and expensed over the period to the next scheduled dry docking. Normal maintenance expenses are expensed as incurred. Classification criteria Assets to be owned or utilized permanently, and receivables falling due later than one year from the end of the accounting year, are classified as fixed assets. Other assets are classified as current assets. Same principles are assumed for liabilities. Valuation of current assets Current assets are recorded net of expected future losses and at the lowest value of cost price and market value. Bunkers and lube oil balances are accrued in the balance sheet based upon consumption and purchase price. Receivables Account Receivables and other Receivables are recorded in the balance sheet at face value after deduction of expected loss. Loss on debtors are accounted for on basis of individual assessment of the receivables. Currency Transactions in foreign currency are recorded at the exchange rate at the transaction date. Current assets and current liabilities are recorded at the exchange rate at the balance sheet date. The company has long term charter hire contracts in foreign currency. Contract revenue in foreign currency is hedged by use of forward FX contracts. The maturity of these contracts are aligned with the monthly cash flow thus are recognized as incurred. Taxes Deferred tax/tax asset is calculated on the basis of all differences between accounting and tax values for assets and liabilities. Deferred tax is estimated with 22% rate based on the temporary differences between tax and accounting values, as well as deferred tax loss carried forward at the end of the accounting year. Deferred tax asset is based on taxable loss to be utilized in future taxable profit. Cash flow statement The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term cash equivalents.

**Note**

1

Er det usikkerhet om fortsatt drift?: Nei



Note

Antall årsverk i regnskapsåret  
0.00

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - felles kontrollert virksomhet Årets Fjorårets

Pantstillelse Beløp

Beholdning av egne aksjer Antall Pålydende Andel av aksjek.



**Financial Statements  
2022**

**Island Ventures 4 AS**



**ISLAND OFFSHORE**



**Annual Report 2022**  
**Island Ventures 4 AS**  
Organization number 997 571 290

**Business activities**

The Company's business comprises the operation of offshore service vessels for end-clients in the oil and gas and renewables industry worldwide. The vessels are hired from both related party ship owners and external ship owners on bareboat terms. The vessels are managed by Island Offshore Management AS, and the business is operated from Ulsteinvik.

**Statement on results**

The Company had one vessel on bareboat contract with 83% utilization in 2022 compared with 87% utilization in 2021. The vessel was on yard stay for a 15-year class renewal in January 2022 and traded the spot market until 19 March when the vessel secured a firm 1 year contract with operation in the UK. Revenue in 2022 totalled NOK 38.1 mill compared with NOK 42.5 mill in 2021.

Operating profit is negative at NOK -29.4 mill in 2022 compared with NOK -11.2 mill in 2021. The operating loss includes impairment on capitalized maintenance expenses with NOK 12.8 mill. The vessel does not generate sufficient profit from operations to fully cover the bareboat hire expenses. It has been a strategic decision to keep the vessel in operation to minimize the loss and maintain client relationships pending improved markets state.

Cash flow from operational activities is positive with NOK 5.4 mill in 2022. Capital expenditure in 2022 amounts to NOK 11.4 mill for a main engine and thruster overhaul, instalment of a ballast water treatment unit and expenses for a 15 year class renewal. Ultimate owners have funded NOK 10 mill as long-term loan to the Company prior to the class renewal. In addition, the Manager has been flexible in terms of settlement of monthly opex invoices. Thus, cash flow is positive with NOK 4.0 mill in 2022.

The net result for the year amounts to a loss of NOK -31.1 mill compared with a loss of NOK -11.6 mill in 2021. Net equity is negative with NOK -66.7 mill as per 31.12.22 compared with a negative equity of NOK -35.6 mill as per 31.12.21. The change in equity corresponds to this year's loss.

The Company does not have ongoing research and development activities.

**Going concern**

The Company's main creditors are affiliated companies. The current bareboat contract with the operational lease of Island Champion has been terminated from February 2023, thus the Company is dependent on securing new operations of offshore service vessels for end-clients in the future. The Company is well established as an operating company for affiliated companies in the Island Offshore Group. The Company is dependent on receiving financial support to finance further operations of the Company as a Going Concern.

There are signs of improvement in the offshore market in 2023 and the assessment is that the Island Offshore Group has the resources, organization, competence, assets and customer base for the Company to continue being a going concern.

Island Ventures 4 AS  
Organization number : 997 571 290



In accordance with the Norwegian Accounting Act § 3-3a the Board of Directors thus confirms that the financial statements are prepared based on a going concern assumption. The basis for this assumption is the financial position of the Company and the Group at 31.12.2022.

## **Work environment and gender equality**

The Company does not have employees. The crew is hired from the vessel management company. The Vessel Manager continuously works to promote gender equality in all aspects of the business with the objective of securing equal opportunities irrespective of gender, ethnicity, nationality or religious orientation. The Board of directors are all men and comprises representatives from the largest participants in the Company.

As employer the Vessel Manager has the responsibility to maintain, complete and report on progress with the work to promote and secure basic human rights and decent working conditions (Norwegian Transparency Act; "Openhetsloven"). The report will be available on Island Offshore's webpage [www.islandoffshore.com](http://www.islandoffshore.com) before 30.06.23.

## **External environment**

The Company's operations do not pollute the external environment beyond what is normal for this type of business.

## **Financial risk**

The Company does not have external interest-bearing loans. The Company is exposed to market risks with respect to utilization of vessels on hire and thus the overall demand for offshore service vessels. Financial instruments, by the means of Forward Currency Contracts, are used to reduce this risk.

## **Future outlook**

The Company is dependent on securing additional vessel work to increase activity and profits from operation.

The COVID-19 implications may impair market recovery further until the pandemic is under control and economic activity increases. Continued operational disruptions increase the overall risk of activity deferrals and cancellations thus also the risk of negative future financial implications for the Company. Overall, it is emphasized that there is uncertainty with regards to the estimation of future results.

The Board of Directors will continue to monitor the financial situation of the Company closely and will assess the need for capital contributions going forward.

## **Other matters**

The board members are covered by a director and officers liability insurance purchased and maintained by the company. The insurance policy is issued by a reputable insurer with an appropriate rating.

Beyond the above, The Board of Directors is not aware of any subsequent events that could be significant for the evaluation of the Company's financial position and results. Reference is made to the income statement, balance sheet cash flow statement and notes.

Island Ventures 4 AS  
Organization number : 997 571 290

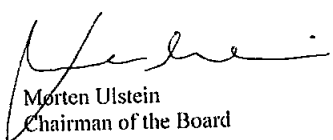


**Allocation of results**

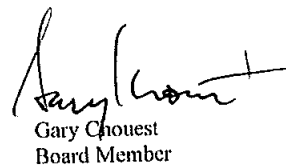
The Board proposes the following allocation of the 2022 net loss of NOK -31 051 918

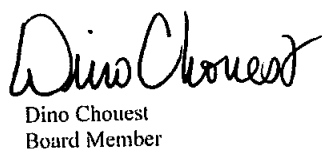
Transferred to other equity                      NOK -31 051 918

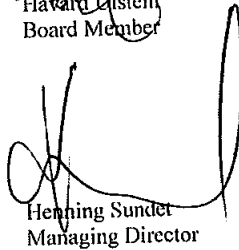
Ulsteinvik, 27 April 2023

  
Morten Ulstein  
Chairman of the Board

  
Håvard Ulstein  
Board Member

  
Gary Chouest  
Board Member

  
Dino Chouest  
Board Member

  
Henning Sundet  
Managing Director

Island Ventures 4 AS  
Organization number : 997 571 290



## Income Statement

### Island Ventures 4 AS

	Note	2022	2021
Freight income		38 136 803	42 458 565
<b>Total operating income</b>	<b>2</b>	<b>38 136 803</b>	<b>42 458 565</b>
Operating expenses vessel	2,6	10 023 939	9 645 114
Crew expenses	5,6	16 954 765	19 290 641
Other operating expenses	5,6	24 418 156	23 845 261
Depreciation	4	3 386 408	901 765
Write-down on ships	4	12 757 988	0
<b>Operating expenses</b>		<b>67 541 257</b>	<b>53 682 780</b>
<b>Operating profit</b>		<b>-29 404 454</b>	<b>-11 224 215</b>
Interest Income from Group companies		0	115 863
Other interest income		20 317	275
Other financial income	3	1 076 594	2 618 334
Interest paid to Group Companies		1 939 081	824 999
Other financial expenses	3	805 294	2 271 455
<b>Net financial income and expenses</b>		<b>-1 647 464</b>	<b>-361 982</b>
<b>Ordinary result before tax</b>		<b>-31 051 918</b>	<b>-11 586 197</b>
<b>Annual net profit</b>		<b>-31 051 918</b>	<b>-11 586 197</b>
Distributed to loss in equity		-31 051 918	-11 586 197
<b>Net distributed</b>	<b>8</b>	<b>-31 051 918</b>	<b>-11 586 197</b>



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**Balance sheet**

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**Island Ventures 4 AS**

	Note	2022	2021
<b>Assets</b>			
<b>Fixed assets</b>			
<b>Intangible fixed assets</b>			
<b>Tangible fixed assets</b>			
Capitalized maintenance	4	0	4 719 257
<b>Total tangible assets</b>		<b>0</b>	<b>4 719 257</b>
<b>Total fixed assets</b>		<b>0</b>	<b>4 719 257</b>
<b>Current assets</b>			
Stock of supplies		195 055	1 150 470
<b>Debtors</b>			
Accounts receivables		3 865 474	10 571 930
Other receivables	6	5 184 083	5 373 508
<b>Total debtors</b>		<b>9 049 557</b>	<b>15 945 438</b>
<b>Investments</b>			
Cash and bank deposits		4 041 674	22 222
<b>Total current assets</b>		<b>13 286 286</b>	<b>17 118 129</b>
<b>Total assets</b>		<b>13 286 286</b>	<b>21 837 386</b>

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Island Ventures 4 AS Org.nr. 997571290

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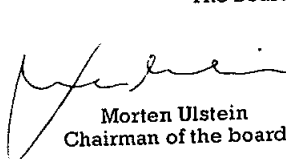



**Balance sheet**

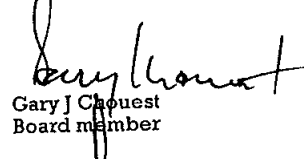
**Island Ventures 4 AS**


	Note	2022	2021
<b>Liabilities and equity</b>			
<b>Equity</b>			
<b>Paid in equity</b>			
Paid in capital	9	100 800	100 800
Share premium reserve		380	380
<b>Total paid in equity</b>		<b>101 180</b>	<b>101 180</b>
Other equity		-66 798 638	-35 746 720
<b>Total retained earnings</b>		<b>-66 798 638</b>	<b>-35 746 720</b>
<b>Total equity</b>	8	<b>-66 697 458</b>	<b>-35 645 540</b>
<b>Liabilities</b>			
Other long term liabilities	6	10 000 000	0
<b>Total long term liabilities</b>		<b>10 000 000</b>	<b>0</b>
<b>Current liabilities</b>			
Trade creditors		2 054 581	3 859 161
Other short term liabilities	6	67 929 164	53 623 765
<b>Total current liabilities</b>		<b>69 983 744</b>	<b>57 482 926</b>
<b>Total liabilities</b>		<b>79 983 744</b>	<b>57 482 926</b>
<b>Total equity and liabilities</b>		<b>13 286 286</b>	<b>21 837 386</b>

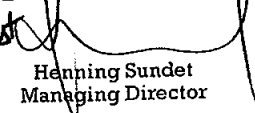
Ulsteinvik, 31.12.2022 / 27.04.2023  
The Board of Directors Island Ventures 4 AS

  
Morten Ulstein  
Chairman of the board

  
Harald Ulstein  
Board member

  
Gary J Chouest  
Board member

  
Dino David Chouest  
Board member

  
Henning Sundet  
Managing Director

**Cash Flow Statement**

## Island Ventures 4 AS

	2022	2021
<i>Cash flow from operational activities:</i>		
Profit before tax	-31 051 918	-11 586 197
-/+ Taxes paid- / Norwegian tax credit+	0	0
+ Depreciation	3 386 408	901 765
+ Impairment vessel capital expenditure	12 757 988	0
-/+ Change in inventory	955 415	-733 836
-/+ Change in accounts receivable	6 706 456	-3 102 057
+/- Change in accounts payable	-1 804 580	2 040 721
+/- Change in accruals	14 494 822	14 762 602
= <b>Cash flow from operational activities</b>	<b>5 444 591</b>	<b>2 282 998</b>
<i>Cash flow from investment activities</i>		
- Payments purchase of fixed assets	-11 425 139	-2 948 182
= <b>Cash flow from investment activities</b>	<b>-11 425 139</b>	<b>-2 948 182</b>
<i>Cash flow from financing activities</i>		
+ Drawdown of loan from owners	10 000 000	0
= <b>Net cash flow from financing activities</b>	<b>10 000 000</b>	<b>0</b>
= <i>Net change in cash and cash equivalents</i>	<u>4 019 452</u>	<u>-665 184</u>
+ <i>Cash reserve 1.1</i>	<u>22 222</u>	<u>687 406</u>
= <i>Cash reserve 31.12</i>	<u>4 041 674</u>	<u>22 222</u>



## Notes to the financial statements 2022

### Island Ventures 4 AS

#### NOTE 1 ACCOUNTING PRINCIPLES

Island Ventures 4 AS is included in the consolidated financial statement for Island Offshore Shipholding, L.P. , c/o Island Offshore Shipping AS, Stålhaugen 12, 6065 Ulsteinvik, Norway.

The financial statements are prepared in accordance with the Norwegian Accounting Act and Generally Accepted Accounting Principles in Norway.

The significant principles are described below.

##### Revenue and expense recognition

Revenue and costs related to vessel operations are recorded based upon the number of journey days before and after the end of the accounting year.

##### Recording of rent agreements

Rent agreements are recorded in accordance with the transaction principle and is in accordance with the economic content of the agreement. Operating agreements are accounted for as expenses and are collocated with the corresponding revenue in the corresponding period.

##### Capitalized periodical maintenance (dry docking)

The Company has a program for maintenance and classification of machinery, equipment and hulls. Expenses are capitalized and expensed over the period to the next scheduled dry docking. Normal maintenance expenses are expensed as incurred.

##### Classification criteria

Assets to be owned or utilized permanently, and receivables falling due later than one year from the end of the accounting year, are classified as fixed assets. Other assets are classified as current assets. Same principles are assumed for liabilities.

##### Valuation of current assets

Current assets are recorded net of expected future losses and at the lowest value of cost price and market value.

Bunkers and lube oil balances are accrued in the balance sheet based upon consumption and purchase price.

##### Receivables

Account Receivables and other Receivables are recorded in the balance sheet at face value after deduction of expected loss. Loss on debtors are accounted for on basis of individual assessment of the receivables.

##### Currency

Transactions in foreign currency are recorded at the exchange rate at the transaction date. Current assets and current liabilities are recorded at the exchange rate at the balance sheet date. The company has long term charter hire contracts in foreign currency. Contract revenue in foreign currency is hedged by use of forward FX contracts. The maturity of these contracts are aligned with the monthly cash flow thus are recognized as incurred.

##### Taxes

Deferred tax/tax asset is calculated on the basis of all differences between accounting and tax values for assets and liabilities.

Island Ventures 4 AS

**Notes to the financial statements 2022**

## Island Ventures 4 AS

Deferred tax is estimated with 22% rate based on the temporary differences between tax and accounting values, as well as deferred tax loss carried forward at the end of the accounting year. Deferred tax asset is based on taxable loss to be utilized in future taxable profit.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term cash equivalents.

**NOTE 2 THE COMPANY BUSINESS AND GEOGRAPHICAL SPLIT OF REVENUE**

In NOK mill	2022	2021
UK	38,2	16,8
Denmark	-	3,5
Germany	-	8,1
USA	-	14,0
<b>Total Operating Income</b>	<b>38,2</b>	<b>42,5</b>

The vessel Island Champion, operated by the Company, has performed work in the UK during 2022. The vessel achieved in average 83% utilization during 2022 compared with 87% utilization previous years. The vessel was on dry dock for a 15 year class renewal in January 2022.

The vessel main activity throughout the year has been transport of cargo for the petroleum industry. The vessel Island Champion is rented on bareboat contract from an external party.

In 2021, the Company entered into Agent Contract with parent company Island Offshore Shipholding, L.P. regarding the operation of the Walk to Work vessel Island Crown with customers in the Netherlands and UK. The vessel was operating in international waters and considering back to back agreement there were no commercial risk for the Company, thus all expenses relating to the vessel are recharged to related party. Thus, net income NOK 32,765,915.- was netted off vessel expenses NOK 32,765,915.- in the Income Statement for 2021.

**NOTE 3 SPECIFICATIONS OTHER FINANCIAL ITEMS AND INFORMATION ABOUT FINANCIAL INSTRUMENTS**

Other financial income comprises:

	2022	2021
Realized currency gain	1 144 723	1 849 136
Hedging gain+/loss- on foreign currency	-68 129	769 198
<b>Other financial income</b>	<b>1 076 594</b>	<b>2 618 334</b>

**Notes to the financial statements 2022**

## Island Ventures 4 AS

Other financial expenses comprise:

	2022	2021
Realized Currency loss	805 294	2 271 455
<b>Other financial costs</b>	<b>805 294</b>	<b>2 271 455</b>

Financial Instruments

The company has a strategy to hedge contracted revenue in foreign currency when contracts are entered for a longer period of time. The financial instrument is linked to a specific revenue cash flow and can be measured in respect of success rate according to strategy. The estimated net unrealized loss or gain is not recorded in the financial statement in accordance with the Norwegian Accounting Act and NGAAP.

There are no forward contracts used to hedge future freight revenue as per 31.12.22.

**NOTE 4 FIXED ASSETS****In NOK**

	Periodic maintenance	Total
Acquisition cost 1.1	7 457 007	7 457 007
Additions	11 425 139	11 425 139
Disposals at costs	-	-
Impairment provision	-12 757 988	-12 757 988
Acc. Depreciation 31.12	-6 124 158	-6 124 158
<b>Book value 31.12</b>	<b>-</b>	<b>-</b>
Impairment provision	12 757 988	<b>12 757 988</b>
Annual depreciation	3 386 408	<b>3 386 408</b>
Economic life	3-5 years	

According to Bareboat agreement entered into with external party, the Company has the maintenance and repair responsibility for the vessel Island Champion. Acquisitions year to date are mainly related to payments for a 15 year class renewal including main engine and thruster overhaul, and installment of water ballast treatment unit in January 2022.

An affiliated company purchased the vessel Island Champion in January 2023, hence current bareboat contract with external party has been terminated from February 2023. Thus, capitalized vessel expenditure has been written down to zero in the Company's balance sheet as per 31.12.22.

**Notes to the financial statements 2022**

## Island Ventures 4 AS

**NOTE 5 PAYROLL, EMPLOYEES**

The Company does not have employees and has no obligation to have pension funds. Crew is hired from Island Offshore Management AS. There has not been paid any compensation to the Board of Directors. Payroll expenses in the financial statements relate to hired crew.

**Auditor**

Audit fee has been expensed with NOK 54.075,- excluding VAT in 2022.

**NOTE 6 RELATED PARTIES**

Transactions with related parties:	2022	2021
Other short term receivables Island Offshore Management AS	4 200 000	4 200 000
Other short term liabilities Island Offshore Shipholding L.P.	-431 204	-431 204
Other short term liabilities Island Offshore Management AS	-66 792 064	-52 488 005
Other long term loan Borgstein AS	-5 000 000	0
Other long term loan Island Investment LLC	-5 000 000	

Short term receivables are prepayments as per 31.12.22 to the manager Island Offshore Management AS.

Island Offshore Management AS has granted a short term loan to the company due to restricted liquidity in the company. Borgstein AS and Island Investment LLC granted a long term loan of at total of NOK 10.000.000 to fund the 15 year class renewal expenditure.

The receivables, and short term loan are interest bearing based on transfer pricing rules.

Transactions with related parties	2022	2021
Purchase of management services	2 271 985	2 088 453
Crew hire	16 954 765	19 290 641

The company has entered into management agreements with Island Offshore Management AS and Borgstein AS to carry out technical and commercial services for the vessel. The services include business management, crewing, purchase, administration, sales, accounting and technical operations.

According to the management agreement, the ship owning company will refund all direct costs related to the vessels, to the management company. An annual fee is paid based on arm's length principle.



## Notes to the financial statements 2022

### Island Ventures 4 AS

#### NOTE 7 TAXES

Deferred tax is calculated on the basis of temporary differences between accounting and tax values existing at the end of the accounting period.

Negative temporary differences and positive temporary differences that are reversible in the same period are offset and recorded net.

Deferred tax/tax asset has been calculated as follows:

	2022	2021
Temporary difference fixed assets	-12 757 988	
Tax loss carried forward	-90 952 667	-72 658 737
<b>Basis for deferred tax</b>	<b>-103 710 655</b>	<b>-72 658 737</b>
Deferred tax	-22 816 343	-15 984 922
Deferred tax rate	22 %	22 %

Calculation of this years tax expense:

	2022	2021
Profit before tax	-31 051 918	-11 596 197
Permanent differences	-	513
<b>Annual tax basis</b>	<b>-31 051 918</b>	<b>-11 595 684</b>
Change in temporary differences	12 757 988	-
Use of tax loss carried forward	-	-
<b>Basis for tax payable</b>	<b>-18 293 930</b>	<b>-11 595 684</b>
Tax percentage	22 %	23 %
Changes deferred tax asset	-	-
<b>Tax expense</b>	<b>-</b>	<b>-</b>

As it will take some time for the Company to utilize the accumulated deferred tax losses it has been decided not to capitalize deferred tax asset in 2021 and 2022.

#### NOTE 8 EQUITY

	Paid in Capital	Share premium reserve	Other Equity	Total
<b>Equity as per 01.01</b>	100 800	380	-35 746 720	<b>-35 645 540</b>
<i>This year change in equity:</i>				
Profit+ / Loss - for the year	-	-	-31 051 918	-31 051 918
<b>Equity as per 31.12.</b>	<b>100 800</b>	<b>380</b>	<b>-66 798 638</b>	<b>-66 697 458</b>



## Notes to the financial statements 2022

### Island Ventures 4 AS

#### NOTE 9 OWNERSHIP

The share capital of NOK 100.800 consist of 2 400 shares a NOK 42,-.

Owners at 31.12:

Shareholders	Number of shares	Ownershare
Island Offshore UK Limited	2 400	100 %
<b>Total number of shares</b>	<b>2 400</b>	<b>100 %</b>

Island Offshore UK Limited is a wholly owned subsidiary of Island Offshore Shipholding L.P. which is the parent company in the Island Offshore Group.

#### NOTE 10 GOING CONCERN

The Company's main creditors are affiliated companies. The current bareboat contract with the operational lease of Island Champion has been terminated from February 2023, thus the Company is dependent on securing new operations of offshore service vessels for end-clients in the future. The Company is well established as an operating company for affiliated companies in the Island Offshore Group. The Company is dependent on receiving financial support to finance further operations of the Company as a Going Concern.

There are signs of improvement in the offshore market in 2023 and the assessment is that the Island Offshore Group has the resources, organization, competence, assets and customer base for the Company to continue being a going concern.

In accordance with the Norwegian Accounting Act § 3-3a the Board of Directors thus confirms that the financial statements are prepared based on a going concern assumption. The basis for this assumption is the financial position of the Company and the Group at 31.12.2022.



Statsautoriserte revisorer  
Ernst & Young AS

Thormøhlens gate 53 D, 5006 Bergen  
Postboks 6163, 5892 Bergen

Foretaksregisteret: NO 976 389 387 MVA  
Tlf: +47 24 00 24 00

www.ey.no  
Medlemmer av Den norske Revisorforening

## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Island Ventures 4 AS

### Opinion

We have audited the financial statements of Island Ventures 4 AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

### Basis for opinion

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

### Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and general manager) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

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

### Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



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

## Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Bergen, 3 May 2023  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Jørn Knutsen  
State Authorised Public Accountant (Norway)

Independent auditor's report - Island Ventures 4 AS 2022

A member firm of Ernst & Young Global Limited

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

## Jørn Knutsen

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: 9578-5992-4-3012515

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2023-05-03 16:29:32 UTC



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Skattedirektoratet

Saksbehandler Geir Johannessen	Deres dato 10.02.2015	Vår dato 23.02.2015
Telefon 22 07 73 25/22 60 11 14	Deres referanse Tommy Walaunet	Vår referanse 2013/779184

ISLAND OFFSHORE MANAGEMENT AS  
Postboks 370  
6067 ULSTEINVIK

### Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til deres brev av 16. februar 2015, der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

Amnor Bergen AS	org.nr. 994 787 365
Amnor Bergen KS	org.nr. 994 787 381
Island Ventures 4 AS	org.nr. 997 571 290
Agat Technology AS	org.nr. 997 109 198
Island Offshore Subsea AS	org.nr. 988 626 392
Island Offshore Subsea Crewing AS	org.nr. 996 266 591

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

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

#### Bakgrunn

Skattedirektoratet har tidligere gitt tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for flere sammenhengende selskaper i deres portefølje. Bakgrunnen er at disse selskapene er majoritetseid av en felles utenlandsk aksjonær og der andre vesentlige eiere er familiemedlemmer, eiet direkte eller gjennom selskaper, hhv av en utenlandsk og en norsk familie.

De selskapene det søkes for nå er norske private aksjeselskaper og et kommandittselskap. Amnor Bergen AS og Amnor Bergen KS er eid 100 % av et amerikansk selskap Amnor II LLC. Island Offshore Management AS (org.nr. 984 285 310) har tidligere fått tillatelse til å utarbeide årsregnskap og årsberetning på engelsk. Dette selskapet er morselskap i Island Offshore Subsea AS som eier 100 % av Island Offshore Subsea Crewing AS og er samtidig majoritetseier i Agat Technology AS. Island Ventures 4 AS er majoritetseid av familiemedlemmer, eiet indirekte gjennom selskaper, hhv av en utenlandsk familie (Gary Chouest m/familie) og norsk familie (Morten Ulstein m/familie). Øvrige eierposter består av mindre poster eiet av bekjente til den norske familien. Selskapenes forretningspråk er engelsk, som også er arbeidsspråket i styrene. Leverandørene er i hovedsak internasjonale og norske virksomheter med leveranser til offshore industrien, mens kreditorene er finansinstitusjoner med internasjonal virksomhet. Engelske regnskaper vil fullt ut dekke det informasjonsbehov som de vesentlige regnskapsbrukerne måtte ha.

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