



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 921 804 032
Organisasjonsform: Aksjeselskap
Foretaksnavn: CIMC OFFSHORE AS
Forretningsadresse: Vestre Svanholmen 4
4313 SANDNES

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Ruihua Wang
Dato for fastsettelse av årsregnskapet: 24.06.2022

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 16.08.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Revenue	9	734 722 350	754 391 923
Other income		65 513 087	161 262 243
Sum inntekter		800 235 437	915 654 167
Kostnader			
Raw materials and consumables used		71 806 582	74 359 894
Employee benefits expense	7	641 156	661 675
Other expenses	7, 8	789 382 235	901 036 684
Sum kostnader		861 829 973	976 058 253
Driftsresultat		-61 594 536	-60 404 087
Finansinntekter og finanskostnader			
Income from associated companies			
Annen renteinntekt		41 634	449 640
Other financial income		19 745 966	43 931 911
Sum finansinntekter		19 787 600	44 381 550
Rentekostnad til foretak i samme konsern			
Annen rentekostnad		12 087	37 289
Other financial expenses		71 061 263	56 358 717
Sum finanskostnader		71 073 350	61 423 960
Netto finans		-51 285 751	-17 042 410
Ordinært resultat før skattekostnad		-112 880 286	-77 446 497
Income tax expense	6	-10 334 852	-17 038 230
Ordinært resultat etter skattekostnad		-102 545 434	-60 408 267
Årsresultat	4	-102 545 434	-60 408 267
Årsresultat etter minoritetsinteresser		-102 545 434	-60 408 267
Totalresultat		-102 545 434	-60 408 267



Resultatregnskap

Beløp i: NOK	Note	2021	2020
Overføringer og disponeringer			
Transferred from other equity		-102 545 434	-60 408 267
Sum overføringer og disponeringer		-102 545 434	-60 408 267



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	6	29 555 992	19 221 140
Sum immaterielle eiendeler		29 555 992	19 221 140
Ships	1		
Finansielle anleggsmidler			
Lån til foretak i samme konsern	5	950 723 374	531 247 449
Sum finansielle anleggsmidler		950 723 374	531 247 449
Sum anleggsmidler		980 279 366	550 468 589
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables	2, 5	212 604 103	208 036 923
Other short-term receivables	5	29 997 912	26 338 989
Sum fordringer	5	242 602 014	234 375 912
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	3	30 408 591	26 739 570
Sum bankinnskudd, kontanter og lignende		30 408 591	26 739 570
Sum omløpsmidler		273 010 606	261 115 482
SUM EIENDELER		1 253 289 972	811 584 071
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital		30 000	30 000
Sum innskutt egenkapital		30 000	30 000



Balanse

Beløp i: NOK	Note	2021	2020
Opptjent egenkapital			
Udekket tap		176 349 762	73 804 328
Sum opptjent egenkapital		-176 349 762	-73 804 328
Sum egenkapital	4	-176 319 762	-73 774 328
Gjeld			
Langsiktig gjeld			
Utsatt skatt	6		
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	5		
Langsiktig konserngjeld	5		
Other non-current liabilities		62 808 336	62 808 336
Sum annen langsiktig gjeld		62 808 336	62 808 336
Sum langsiktig gjeld		62 808 336	62 808 336
Kortsiktig gjeld			
Leverandørgjeld	5	35 058 348	76 885 175
Tax payable	6		
Public duties payable		47 223	29 752
Kortsiktig konserngjeld		1 230 447 477	674 651 711
Other current liabilities	5	101 248 349	70 983 425
Sum kortsiktig gjeld	5	1 366 801 398	822 550 062
Sum gjeld		1 429 609 734	885 358 398
SUM EGENKAPITAL OG GJELD		1 253 289 972	811 584 071



mazars

Fridtjof Nansens vei 19
0369 Oslo
Norway
Tel: +47 23 19 63 00
www.mazars.no

To the Shareholders' Meeting of Cimc Offshore AS

Independent auditor`s report

Opinion

We have audited the financial statements of Cimc Offshore AS (the company) which comprise the balance sheet as at December 31, 2021, the statement of income 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 statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at December 31, 2021 and (of) 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 laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the management for the Financial Statements

The Board of Directors is (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.

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

Mazars AS
Org. no. 979 605 994



mazars

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

Oslo, 24.06 2022

Mazars AS

Alexander Hanevold
statsautorisert revisor



Our date 29.09.2020	Your date 23.09.2020	Case officer Lars Waalorp
800 80 000 skatteetaten.no	Your reference AR390395556	Telephone +4732212244
Org. nr: 974761076	Our reference 2020/5922193	Postal address Postboks 9200 Grønland 0134 OSLO

CIMC OFFSHORE AS
Biterudveien 80
1383 ASKER

Callers from abroad, please call +47 22 07 70 00

Att. Njål Tyssing, KPMG Law Advokatfirma AS

Permission to prepare the annual accounts and directors' report in English language for CIMC Offshore AS, org. no 921 804 032

With reference to your letter of 23 September 2020 with respect to the above matter regarding CIMC Offshore AS.

Based on a total evaluation, the view of the tax office is that CIMC Offshore AS may make the directors' report and annual accounts in English language according to the Norwegian Accounting Act § 3-4 third paragraph. The exemption requires that the information the decision is based on, does not change significantly.

A copy of this letter must be sent to the Register of Company Accounts in Brønnøysund together with the financial statements. It is incumbent on the company to document by this letter that the permit is granted.

Background

CIMC Offshore AS is a private limited company 100 % owned by a foreign company and is a part of the CIMC group located in China. The company operates in the rig/maritime industry. The company has only one employee who is working from Norway, and the chairperson of the board and the board member are not Norwegian.

Condition for the permission

According to the Norwegian Accounting Act § 3-4, third paragraph shall "the directors' report and annual accounts (...) be in Norwegian. The Ministry can in an individual decision decide that the directors' report and/or annual accounts may be in another language".

Ot. prp. nr. 42 (1997-1998) About Act about annual accounts etc., says the following about the purpose of the Accounting Act, refer section 1.1:

"The aim of the Government with respect to the Accounting Act is that it shall contribute towards providing informative accounts for different users of accounts. The users of accounts include investors and creditors, which provide capital for the companies. Other groups include those who have an interest in knowing how the companies are operated, for example employees and the local community. The information to the capital market is an important basis for the correct pricing of financial instruments. The correct pricing of stocks is an important factor in securing the best possible allocation of resources in the



economy. High quality accounts will also make it more difficult for market participants to obtain speculative gains as a result of non-publicly available information.”

One of the main goals of the Accounting Act is to contribute to “informative accounts for different users of accounts”. The users of the accounts will include investors, creditors, employees and the local community.

Hence, it is the view of the Ministry that it is crucial that the question of dispensation from the general rule that the annual accounts and/or directors' report should be prepared in Norwegian, not in any significant way deviate from the consideration of users of the accounts.

As mentioned above it is particularly the consideration of the users of the account information, which has to be taken into consideration when considering the application for permission. In this assessment, the tax office has emphasized that the company is a subsidiary of a foreign company and is a part of an international group. Furthermore, all key players and partners in this industry understand and use English.

Yours sincerely,

Lars Waalorp
Senior Adviser
Customer Interaction Division, Customer Service
The Norwegian Tax Administration

This document has been electronically approved and therefore has no handwritten signatures.



Annual Report 2021

Cimc Offshore AS

Directors' Report
Revenue statement
Balance sheet
Cash flows
Notes to the Accounts

Org.no.: 921 804 032



Annual report 2021 for Cimc Offshore AS

THE TYPE AND LOCATION OF THE BUSINESS

Cimc Offshore AS is a company who provide services for the drilling and production of oil on the Norwegian continental shelf. The company is located in Sandnes municipality with an office in Asker.

GOING CONCERN AND FUTURE DEVELOPMENT

In accordance with § 3-3a of the Accounting Act it is confirmed that the going concern assumption is satisfied and this assumption has been applied in the preparation of the accounts.

The COVID19 situation in 2021 has not put the business of Cimc under stress.

REPORT ON THE ANNUAL ACCOUNTS

The board is not aware of any matters that are important for an assessment of the company's position and result that are not set out in the annual accounts. Similarly no matters have occurred after the end of the financial year that in the opinion of the board are material to an assessment of the accounts.

FINANCIAL RISK

Overall objective and strategy

The company focuses on a sound business model with limited growth.

Market risk

The company is not exposed to significant currency risks. The company is indirectly exposed to the business cycle in the upstream business in Norway.

Credit risk

The company has MNOK 212,6 in account receivables year end 2021. The client involved is financially solid, and the company has not made any provision for losses from these receivables.

Liquidity risk

The company has a cash deposit year end of MNOK 30,4. The company expects no liquidity problems during the financial year 2022.

WORKING ENVIRONMENT, EQUAL OPPORTUNITY AND DISCRIMINATION

The board considers that the working environment in the company is good. No special measures have been implemented in this connection. The employees of the business have not suffered accidents or injury in connection with their work. Total sick leave over the last year has been 0 days, which amounts to 0% of total working time in the accounting year.

Cimc Offshore AS has a goal to be a workplace where there is full equality of opportunity between men and women, and has established a personnel policy that is considered to be gender neutral in all areas. At the end of year the company had 1 employees , 1 women and 0 men. The company's board consists of 2 persons, of whom 0 are women.

ENVIRONMENT REPORTING

The company does not pollute the external environment in addition to normal standards for business operations, more than other companies in the same industry.

RESEARCH AND DEVELOPMENT ACTIVITIES


Cimc Offshore AS has not conducted any R&D during 2021.

ANNUAL RESULT AND ALLOCATIONS

In 2021 the company had a result of after tax of NOK -102 545 434 which is proposed to be allocated as follows:




Disposition	Amount
To/from other equity	-102 545 434



Jianzhong Wang
Chairman of the board

24.06.2022
The board of Cimc Offshore AS



Ziguang Zhao
Member of the board



REVENUE STATEMENT

CIMC OFFSHORE AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2021	2020
Revenue	9	734 722 350	754 391 923
Other income		65 513 087	161 262 243
Total income		800 235 437	915 654 167
Raw materials and consumables used		71 806 582	74 359 894
Employee benefits expense	7	641 156	661 675
Other expenses	7, 8	789 382 235	901 036 684
Total expenses		861 829 973	976 058 253
Operating profit		-61 594 536	-60 404 087
FINANCIAL INCOME AND EXPENSES			
Other interest income		41 634	449 640
Other financial income		19 745 966	43 931 911
Interest expense to group companies		0	5 027 954
Other interest expenses		12 087	37 289
Other financial expenses		71 061 263	56 358 717
Net financial items		-51 285 751	-17 042 410
Net profit before tax		-112 880 286	-77 446 497
Income tax expense	6	-10 334 852	-17 038 230
Net profit after tax		-102 545 434	-60 408 267
Net profit or loss	4	-102 545 434	-60 408 267
ATTRIBUTABLE TO			
Transferred from other equity		102 545 434	60 408 267
Total		-102 545 434	-60 408 267



BALANCE SHEET

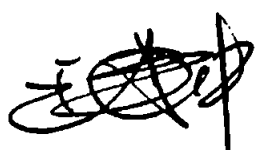
CIMC OFFSHORE AS

ASSETS	Note	2021	2020
NON-CURRENT ASSETS			
INTANGIBLE ASSETS			
Deferred tax assets	6	29 555 992	19 221 140
Total intangible assets		29 555 992	19 221 140
Receivables from group companies	5	950 723 374	531 247 449
Total non-current financial assets		950 723 374	531 247 449
Total non-current assets		980 279 366	550 468 589
CURRENT ASSETS			
DEBTORS			
Accounts receivables	2, 5	212 604 103	208 036 923
Other short-term receivables	5	29 997 912	26 338 989
Total receivables	5	242 602 014	234 375 912
Cash and cash equivalents	3	30 408 591	26 739 570
Total current assets		273 010 606	261 115 482
Total assets		1 253 289 972	811 584 071

**BALANCE SHEET**


CIMC OFFSHORE AS

EQUITY AND LIABILITIES	Note	2021	2020
EQUITY			
PAID-IN CAPITAL			
Share capital		30 000	30 000
Total paid-up equity		30 000	30 000
RETAINED EARNINGS			
Uncovered loss		-176 349 762	-73 804 328
Total retained earnings		-176 349 762	-73 804 328
Total equity	4	-176 319 762	-73 774 328
LIABILITIES			
OTHER NON-CURRENT LIABILITIES			
Other non-current liabilities		62 808 336	62 808 336
Total non-current liabilities		62 808 336	62 808 336
CURRENT LIABILITIES			
Trade payables	5	35 058 348	76 885 175
Public duties payable		47 223	29 752
Liabilities to group companies		1 230 447 477	674 651 711
Other current liabilities	5	101 248 349	70 983 425
Total current liabilities	5	1 366 801 398	822 550 062
Total liabilities		1 429 609 734	885 358 398
Total equity and liabilities		1 253 289 972	811 584 071



Jianzhong Wang
Chairman of the board

24.06.2022
The board of Cimc Offshore AS



Ziguang Zhao
Member of the board



INDIRECT CASH FLOW

CIMC OFFSHORE AS

	Note	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/loss before tax		-112 880 286	-77 446 497
Change in accounts receivable		-4 567 180	255 861 650
Change in accounts payable		-41 826 828	-40 890 345
Change in other accrual items		162 943 314	-189 162 232
Net cash flows from operating activities		3 669 021	-51 637 424
CASH FLOWS FROM FINANCING ACTIVITIES			
Net change in cash and cash equivalents		3 669 021	-51 637 424
Cash and cash equivalents at the start of the period		26 739 570	78 376 995
Cash and cash equivalents at the end of the period		30 408 591	26 739 570



Accounting principles

The annual accounts have been prepared in conformity with the provisions of the Norwegian Accounting Act and good accounting practice as per 31 December 2021.

USE OF ESTIMATES

In the preparation of the annual accounts estimates and assumptions have been made that have affected the profit and loss account and the valuation of assets and liabilities, and uncertain assets and liabilities on the balance sheet date in accordance with generally accepted accounting practice. Areas which to a large extent contain such subjective evaluations, a high degree of complexity, or areas where the assumptions and estimates are material for the annual accounts, are described in the notes.

FOREIGN CURRENCY

Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated to NOK using the exchange rate on the transaction date. Non-monetary items that are measured at fair value in a foreign currency are translated to NOK using the exchange rate on the measurement date. Exchange rate fluctuations are posted to the profit and loss account as they arise under other financial items.

REVENUES

Income from the sale is recognised on the date of delivery. Services are posted as income as they are delivered.

TAX

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. The net deferred tax receivable is entered on the balance sheet to the extent that it is likely that it can be utilised.

CLASSIFICATION AND VALUATION OF CURRENT ASSETS

Current assets and short-term liabilities consist normally of items that fall due for payment within one year of the balance sheet date, as well as items related to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

RECEIVABLES

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables. In addition an unspecified provision is made to cover expected losses on claims in respect of customer receivables.

CASH FLOW STATEMENT

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.



Note 1 Annual rental of non-financial assets

	Rental period	Annual rent
Bareboat agreement 2019 - September 2021	5 years	USD 100 000 per day
Bareboat agreement October 2021- December 2024	5 years	USD 80 000 per day

Note 2 Account receivables

The company has one major customer, and has not made any provision for potential future losses.

Note 3 Bank deposits

Funds standing on the tax deduction account (restricted funds) are NOK 89 873.

Note 4 Equity

	Share capital	Share premium	Other paid-in equity capital	Other equity capital	Total equity capital
As at 31.12.2020	30 000	0	0	-73 804 328	-73 774 328
As at 01.01.2021	30 000	0	0	-73 804 328	-73 774 328
Result for the year				-102 545 434	-102 545 434
As at 31.12.2021	30 000	0	0	-176 349 762	-176 319 762

The company is part of the Chinese group China International Marine Containers, domiciled in Shenzhen, China.

Share capital consist of 30 000 shares with nominal value of NOK 1, total NOK 30 000. All the shares are owned by CIMC Raffles Leasing Pte Ltd.

Note 5 Inter-company items between companies in the same group

	2021	2020
Receivables		
Receivables from companies in the same group	950 723 374	531 247 449
Total	950 723 374	531 247 449
Liabilities		
Other short-term liabilities within the group	1 230 447 477	674 651 711
Total	1 230 447 477	674 651 711



Note 6 Tax

This year's tax expense	2021	2020
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	-10 334 852	-17 038 230
Tax expense on ordinary profit/loss	-10 334 852	-17 038 230
Taxable income:		
Ordinary result before tax	-112 880 286	-77 446 497
Permanent differences	65 903 686	0
Taxable income	-46 976 600	-77 446 497
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0
Calculation of effective tax rate		
Profit before tax	-112 880 286	-77 446 497
Calculated tax on profit before tax	-24 833 663	-17 038 229
Tax effect of permanent differences	14 498 811	0
Total	-10 334 852	-17 038 229
Effective tax rate	9,2 %	22,0 %

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

	2021	2020	Difference
Accumulated loss to be brought forward	-134 345 417	-87 368 817	46 976 600
Basis for deferred tax assets	-134 345 417	-87 368 817	46 976 600
Deferred tax assets (22 %)	-29 555 992	-19 221 140	10 334 852



Note 7 Salary costs

Salary costs	2021	2020
Salaries	550 511	570 357
Employment tax	78 981	84 338
Pension costs	11 663	6 980
Total	641 156	661 675

In 2021 the company employed 1 man-years.

PENSION LIABILITIES

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

REMUNERATION FOR LEADING PERSONNEL

The company has no general manager, and pays no remuneration to its board of directors.

AUDITOR

The audit fee in 2021 is NOK 200 000 vat excluded.

Other services is NOK 44 200 vat excluded.

Note 8 Rent

Annual rent for the company's business office in Sandnes is NOK 5 151 624.

Note 9 Sales income

	2021	2020
By business area		
Services for the drilling and production of oil	734 722 350	754 391 923
Total	734 722 350	754 391 923
Geographic breakdown		
The Norwegian continental shelf	734 722 350	754 391 923
Total	734 722 350	754 391 923

Note 10 Going concern

These financial statements have been prepared on a going concern basis.

The Company's total liabilities exceeded its total assets by USD 18 395 421 and current liabilities exceeded its current assets by USD 124 339 538 at 31 December 2021. The Company's current liabilities include loans and finance lease liabilities of USD 139 874 345 in total due to its related parties. The ultimate holding company of the Company, CIMC Raffles Leasing Pte Ltd Singapore has undertaken to provide such financial support to the Company as may be necessary to ensure its continuing operation for the foreseeable future, which is at least, but is not limited to, twelve months. Such financial support include not calling for settlement of the Company's related party liabilities and/or providing additional financial resources for the Company to settle liabilities when they fall due. The Company's directors are therefore confident that the Company is able to continue as a going concern for the foreseeable future. The financial statements have



been prepared on a going concern basis accordingly.