



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 963 495 749  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: TSCHUDI SHIPPING COMPANY AS  
Forretningsadresse: Strandveien 50  
1366 LYSAKER

### Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

### Konsern

Mørselskap i konsern: Ja  
Konsernregnskap lagt ved: Ja

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Ivar Puusta  
Dato for fastsettelse av årsregnskapet: 29.06.2021

### Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert  
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

*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, 14.08.2022



### Resultatregnskap

Beløp i: NOK	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt		8 000 000	11 837 000
<b>Sum inntekter</b>		<b>8 000 000</b>	<b>11 837 000</b>
<b>Kostnader</b>			
Lønnskostnad		8 774 000	10 895 000
Avskrivning		63 000	54 000
Annen driftskostnad		8 686 000	11 048 000
<b>Sum kostnader</b>		<b>17 523 000</b>	<b>21 997 000</b>
<b>Driftsresultat</b>		<b>-9 523 000</b>	<b>-10 160 000</b>
<b>Finansinntekter og finanskostnader</b>			
Inntekt på investering i datterselskap og tilknyttet selskap		13 387 000	16 095 000
Renteinntekt fra foretak i samme konsern		1 085 000	1 442 000
Annen renteinntekt			16 000
Annen finansinntekt			247 000
<b>Sum finansinntekter</b>		<b>14 472 000</b>	<b>17 800 000</b>
Nedskrivning av finansielle eiendeler		7 112 000	1 477 000
Rentekostnad til foretak i samme konsern		828 000	932 000
Annen rentekostnad			294 000
Annen finanskostnad		667 000	
<b>Sum finanskostnader</b>		<b>8 607 000</b>	<b>2 703 000</b>
<b>Netto finans</b>		<b>5 865 000</b>	<b>15 097 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-3 658 000</b>	<b>4 937 000</b>
Skattekostnad på ordinært resultat		59 000	58 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-3 717 000</b>	<b>4 879 000</b>
<b>Årsresultat</b>		<b>-3 717 000</b>	<b>4 879 000</b>



## Balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Konsesjoner, patenter, lisenser, varemerker o.l.		64 000	87 000
<b>Sum immaterielle eiendeler</b>		<b>64 000</b>	<b>87 000</b>
<b>Varige driftsmidler</b>			
Driftsløsøre, inventar, verktøy, kontormaskiner		678 000	718 000
<b>Sum varige driftsmidler</b>		<b>678 000</b>	<b>718 000</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap		30 078 000	29 232 000
Lån til foretak i samme konsern		18 344 000	25 729 000
Andre fordringer		3 211 000	1 182 000
<b>Sum finansielle anleggsmidler</b>		<b>51 633 000</b>	<b>56 143 000</b>
<b>Sum anleggsmidler</b>		<b>52 375 000</b>	<b>56 948 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Kundefordringer		129 000	89 000
Andre fordringer		170 000	109 000
Konsernfordringer		14 977 000	19 210 000
<b>Sum fordringer</b>		<b>15 276 000</b>	<b>19 408 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende		397 000	448 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>397 000</b>	<b>448 000</b>
<b>Sum omløpsmidler</b>		<b>15 673 000</b>	<b>19 856 000</b>
<b>SUM EIENDELER</b>		<b>68 048 000</b>	<b>76 804 000</b>



## Balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital		15 460 000	15 460 000
<b>Sum innskutt egenkapital</b>		<b>15 460 000</b>	<b>15 460 000</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital		-121 997 000	-118 068 000
<b>Sum opptjent egenkapital</b>		<b>-121 997 000</b>	<b>-118 068 000</b>
<b>Sum egenkapital</b>		<b>-106 537 000</b>	<b>-102 608 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser		1 072 000	1 452 000
<b>Sum avsetninger for forpliktelser</b>		<b>1 072 000</b>	<b>1 452 000</b>
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld		21 952 000	24 723 000
Øvrig langsiktig gjeld		144 950 000	144 200 000
<b>Sum annen langsiktig gjeld</b>		<b>166 902 000</b>	<b>168 923 000</b>
<b>Sum langsiktig gjeld</b>		<b>167 974 000</b>	<b>170 375 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		521 000	728 000
Skyldige offentlige avgifter		668 000	870 000
Kortsiktig konserngjeld		4 484 000	5 904 000
Annen kortsiktig gjeld		938 000	1 535 000
<b>Sum kortsiktig gjeld</b>		<b>6 611 000</b>	<b>9 037 000</b>
<b>Sum gjeld</b>		<b>174 585 000</b>	<b>179 412 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>68 048 000</b>	<b>76 804 000</b>



## Konsernets resultatregnskap

Beløp i: NOK	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt		426 763 000	671 342 000
Annen driftsinntekt		915 000	461 000
<b>Sum inntekter</b>		<b>427 678 000</b>	<b>671 803 000</b>
<b>Kostnader</b>			
Varekostnad		298 609 000	456 641 000
Lønnskostnad		92 247 000	105 189 000
Avskrivning		2 920 000	77 049 000
Annen driftskostnad		20 283 000	30 487 000
<b>Sum kostnader</b>		<b>414 059 000</b>	<b>669 366 000</b>
<b>Driftsresultat</b>		<b>13 619 000</b>	<b>2 437 000</b>
<b>Finansinntekter og finanskostnader</b>			
Inntekt på investering i datterselskap og tilknyttet selskap		219 000	1 000
Renteinntekt fra foretak i samme konsern		1 073 000	1 244 000
Annen renteinntekt		58 000	84 000
Annen finansinntekt		150 000	30 000
<b>Sum finansinntekter</b>		<b>1 500 000</b>	<b>1 359 000</b>
Nedskrivning av finansielle eiendeler		47 000	416 000
Annen rentekostnad		1 322 000	2 945 000
Annen finanskostnad		1 434 000	2 853 000
<b>Sum finanskostnader</b>		<b>2 803 000</b>	<b>6 214 000</b>
<b>Netto finans</b>		<b>-1 303 000</b>	<b>-4 855 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>12 316 000</b>	<b>-2 418 000</b>
Skattekostnad på ordinært resultat		2 728 000	1 177 000
<b>Ordinært resultat etter skattekostnad</b>		<b>9 588 000</b>	<b>-3 595 000</b>
<b>Årsresultat</b>		<b>9 588 000</b>	<b>-3 595 000</b>
Minoritetsinteresser		-735 000	-1 000 000



## Konsernets resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
Årsresultat etter minoritetsinteresser		10 323 000	-2 595 000



## Konsernets balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Konsesjoner, patenter, lisenser, varemerker o.l.		171 000	362 000
Utsatt skattefordel		945 000	1 994 000
<b>Sum immaterielle eiendeler</b>		<b>1 116 000</b>	<b>2 356 000</b>
<b>Varige driftsmidler</b>			
Tomter, bygninger og annen fast eiendom		2 060 000	1 984 000
Maskiner og anlegg		9 369 000	10 076 000
Skip, rigger, fly og lignende			37 095 000
<b>Sum varige driftsmidler</b>		<b>11 429 000</b>	<b>49 155 000</b>
<b>Finansielle anleggsmidler</b>			
Investering i annet foretak i samme konsern		4 670 000	116 000
Lån til foretak i samme konsern		18 344 000	22 378 000
Andre fordringer		3 617 000	1 654 000
<b>Sum finansielle anleggsmidler</b>		<b>26 631 000</b>	<b>24 148 000</b>
<b>Sum anleggsmidler</b>		<b>39 176 000</b>	<b>75 659 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer		2 655 000	3 190 000
<b>Sum varer</b>		<b>2 655 000</b>	<b>3 190 000</b>
<b>Fordringer</b>			
Kundefordringer		51 294 000	54 412 000
Andre fordringer		1 702 000	3 126 000
<b>Sum fordringer</b>		<b>52 996 000</b>	<b>57 538 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende		25 050 000	12 514 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>25 050 000</b>	<b>12 514 000</b>
<b>Sum omløpsmidler</b>		<b>80 701 000</b>	<b>73 242 000</b>



### Konsernets balanse

Beløp i: NOK	Note	2020	2019
<b>SUM EIENDELER</b>		<b>119 877 000</b>	<b>148 901 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital		15 460 000	15 460 000
<b>Sum innskutt egenkapital</b>		<b>15 460 000</b>	<b>15 460 000</b>
<b>Opptjent egenkapital</b>			
Fond		6 300 000	5 909 000
Annen egenkapital		-120 217 000	-122 352 000
<b>Sum opptjent egenkapital</b>		<b>-113 917 000</b>	<b>-116 443 000</b>
Minoritetsinteresser		-56 000	-7 028 000
<b>Sum egenkapital</b>		<b>-98 513 000</b>	<b>-108 011 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser		1 072 000	1 452 000
Utsatt skatt		458 000	477 000
<b>Sum avsetninger for forpliktelser</b>		<b>1 530 000</b>	<b>1 929 000</b>
<b>Annen langsiktig gjeld</b>			
Konvertible lån		142 700 000	142 700 000
Gjeld til kredittinstitusjoner		7 050 000	31 508 000
<b>Sum annen langsiktig gjeld</b>		<b>149 750 000</b>	<b>174 208 000</b>
<b>Sum langsiktig gjeld</b>		<b>151 280 000</b>	<b>176 137 000</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner		5 669 000	9 320 000
Leverandørgjeld		21 562 000	35 479 000
Betalbar skatt		864 000	1 351 000
Skyldige offentlige avgifter		6 729 000	6 933 000
Annen kortsiktig gjeld		32 286 000	27 692 000



## Konsernets balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
Sum kortsiktig gjeld		67 110 000	80 775 000
Sum gjeld		218 390 000	256 912 000
<b>SUM EGENKAPITAL OG GJELD</b>		<b>119 877 000</b>	<b>148 901 000</b>



## Skattedirektoratet

Saksbehandler  
Jan Hoelstad

Deres dato  
03.02.2010

Vår dato  
04.02.2010

Telefon  
22077325

Deres referanse  
Rune Svenøy

Vår referanse  
2010/114596

Tschudi Shipping Company AS  
Postboks 86  
1325 Lysaker

## Søknad om tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til Deres søknad av 3. februar 2010 samt tidligere korrespondanse i sakens anledning. De søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

- Tschudi Shipping Company AS org. nr: 963 495 749
- Tschudi Rederi AS org. nr: 986 222 545
- Tschudi Logistics Holding AS org. nr: 990 643 261

### Bakgrunn:

Tschudi Rederi AS og Tschudi Logistics Holding AS er norske 100 % eide datterselskaper av det internasjonale konsernet Tschudi Shipping Company AS. Konsernet kontrolleres 100 % av norske Felix H. Tschudi. Kontrollen skjer ved at 51 % av aksjene eies direkte, mens øvrige aksjer eies indirekte av ham og hans to mindreårige barn gjennom selskapet Glarona AS. Konsernet driver i hovedsak innenfor internasjonal shipping og logistikk, samt eiendom og finansielle investeringer. Både selskapet og dets aksjonærer benytter engelsk som forretnings- og rapporteringsspråk. Konsernet har operative kontorer i 12 land, og er avhengig av at engelsk benyttes som arbeidsspråk. Selskapet er finansiert gjennom internasjonale finansinstitusjoner og banker som også naturlig etterspør informasjon på engelsk. Det er understreket at selskapene eller deres eiere, ikke er på børs, og regnskapsinteressentene derfor er en begrenset krets av brukere. Norsk årsregnskap og årsberetning utarbeides derfor kun som en oversettelse av det regnskapet som er utarbeidet på engelsk, og eneste formål med oversettelsen er å oppfylle regnskapslovens krav til at det skal foreligge på norsk. Denne kostnaden anses derfor ikke å ha noen verdi. Det søkes derfor om dispensasjon.

### Skattedirektoratets vurdering og konklusjon

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

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

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan 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

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0134 Oslo

Besøksadresse

Fredrik Selmers vei 4  
Org. nr: 974761076

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Sentralbord

800 80 000  
Telefaks  
22 17 08 60



*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. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som et verktøy i sin kontrollvirksomhet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir negativt berørt ved en eventuell dispensasjon. Søkeren må som et utgangspunkt kunne vise at de har en særlig interesse for ikke å utarbeide årsregnskap og/eller årsberetning på norsk.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Det framgår av søknaden at alle aksjonærene ønsker at årsregnskapet utarbeides på engelsk språk. Selskapene opererer innen en bransje med sterk internasjonal karakter og arbeidsspråket er engelsk. Finansieringen hentes også fra profesjonelle institusjoner som generelt betjener internasjonale kunder med engelsk som kommunikasjonsspråk. Alle sentrale aktører innen de bransjer selskapene driver, antas å måtte beherske engelsk språk.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering de overnevnte navngitte selskapene i Tschudi konsernet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Torstein Kinden Helleland  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Jan Hoelstad



Statsautoriserte revisorer  
Ernst & Young AS

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## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Tschudi Shipping Company AS

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Tschudi Shipping Company AS, which comprise the financial statements for the parent company and the Group. The financial statements for the parent company and the Group comprise the balance sheets as at 31 December 2020, the income statement and statements 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 have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company and the Group as at 31 December 2020 and their 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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 Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer (management) are 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 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, we are required to report that fact. We have nothing to report in this regard.

#### 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 law, regulations and generally accepted auditing principles in Norway, including 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;
- ▶ obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

## Report on other legal and regulatory requirements

### Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption, and proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

Independent auditor's report - Tschudi Shipping Company AS

A member firm of Ernst & Young Global Limited

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## Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Oslo, 29 June 2021  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Johan Lid Nordby  
State Authorised Public Accountant (Norway)

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

## Johan Nordby

Statsautorisert revisor

On behalf of: Ernst & Young AS

Serial number: 9578-5997-4-729076

IP: 84.211.xxx.xxx

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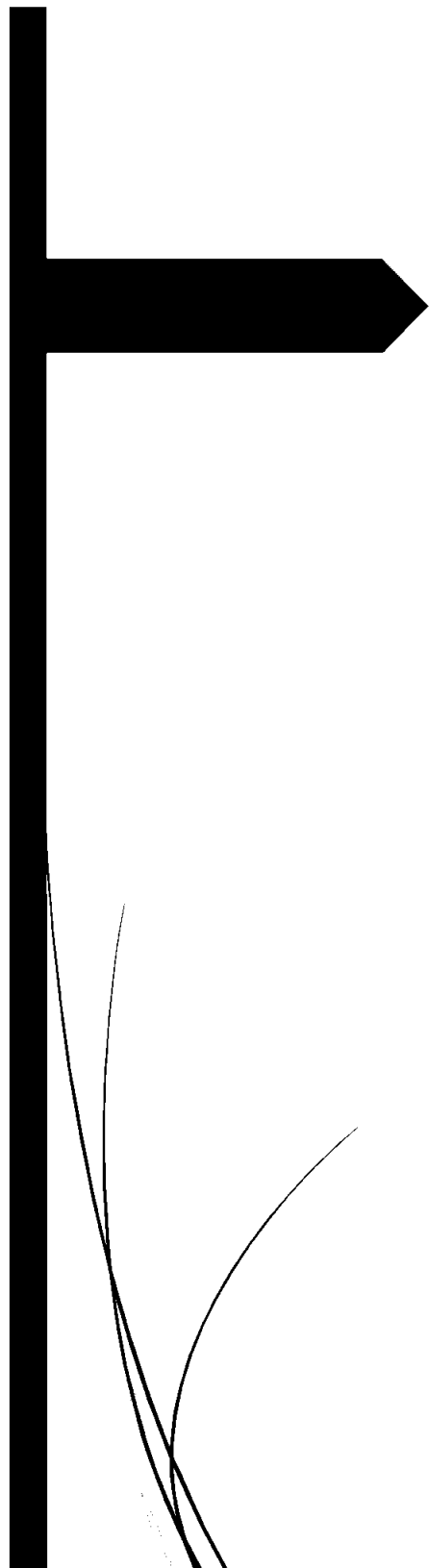
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# ANNUAL REPORT 2020

**TSCHUDI** 



ANNUAL REPORT 2020  
DIRECTOR'S REPORT

TSCHUDI SHIPPING COMPANY AS

## DIRECTOR'S REPORT

### OPERATIONS AND LOCATIONS

Tschudi Shipping Company AS (the Company or the Parent Company) is the holding company for the shipping and logistics activities of the privately owned Tschudi Group. Established in 1883, the company is now owned by the fourth and fifth generation of the Tschudi family. The daily business is run by the management team, with Felix H. Tschudi as the Executive Chairman. Head office is at Lysaker, Norway.

Tschudi Shipping Company AS and its subsidiaries' (the Group) provide integrated solutions worldwide for logistics, shipping, offshore support and the ocean industries. Currently with offices in 12 countries. The Group is active in ship management offering commercial, technical management and crewing services to third party clients.

With subsidiaries, joint ventures and associated companies, the Group has offices in Norway, Finland, Denmark, Sweden, the Netherlands, Russia, Estonia, Poland, Ukraine, Angola, Mozambique and is represented by an agent in China. The Group is well represented with strong teams operating in many countries and business areas with a particular stronghold in the Arctic.

The Parent Company provides the Group with general administrative, managerial, SHEQ, accounting and financial services. Intra-group accounting, financial and IT services are provided by the subsidiary Tschudi Financial Services OÜ (TFS) in Tallinn, Estonia. Increased business in the Group including a new office and new vessels under management has resulted in increased work for our in-house Service Center TFS. Focus continues on third party customers and the portfolio is increasing with external business.

In 2020, Covid-19 challenged our operations, our employees, our customers and the world around us. In response, focus was on providing a healthy and safe work environment in full compliance with the advice from health authorities, while maintaining operations and positioning for the future. We are grateful and impressed by how our organization has kept our businesses running, while at the same time always putting health and safety first.

During 2020, the Group started the transition of all employees to Office 365 and Azure – a positive update for the entire Group with increased internal cooperation from using Teams and Sharepoint. Increased digitalization means streamlining and being more efficient in our daily work. Further the Group and subsidiaries' websites have been updated and a new Group Intranet launched – maintaining a "One Tschudi" culture across all offices is a vital part of our internal communication strategy.

#### Shipping

With our many years' experience from ship-owning and maritime logistics, we continue to focus on seaborne cargo transportations, ship-to-ship (STS) transshipment of oil, oil products and liquefied natural gas (LNG). Further strengthening our existing ship management businesses in Tallinn, Odessa and Ijmuiden and our in-house chartering and brokerage department in Århus. Focus is on providing tailored solutions for the Ocean Industries from all our offices.

#### Ship Management

Tschudi Ship Management AS (TSM) provides high quality and cost-efficient ship management services to a variety of vessels, personnel services and support functions and consultancy for maritime projects. Full technical and crew management services are provided by TSM located in Tallinn. From our office in Ijmuiden, Tschudi Ship Management Holland (TSMH) actively promotes commercial and ship management services to third party clients.

During 2020, TSM increased their portfolio with several new vessels. Due to growing number of Covid-19 cases on construction sites, TSM experienced increased demand for the accommodation vessels under their management. Going forward focus will be



ANNUAL REPORT 2020  
DIRECTOR'S REPORT

TSCHUDI SHIPPING COMPANY AS

on existing markets where TSM already has a strong position focusing on specialized vessels. In particular, TSM is targeting the offshore wind sector and promoting our many years' experience of serving this growing segment.

Subsidiary - Tschudi Ship Management Ukraine AS - is a certified maritime manning agent offering crew management to a variety of vessels. Complemented by additional services, including sourcing of personnel for specific projects.

There is a good cooperation between TSM companies and Tschudi Logistics. The value of combining these services and skills was very evident when carrying out LNG STS operations in Honningsvåg. Another recent example is offering both logistics, crewing and ship management services in Mozambique through our local office in Maputo. It is also expected that offering the combined services by dedicated teams can be very valuable in relation to the offshore wind industry.

#### Logistics

The Tschudi Logistics Group has experienced positive development throughout 2020, again expanding both their workforce and geographical reach. The latest addition is the re-opening of their Polish office in Szczecin (in October 2020). Tschudi Logistics has remained successful in Poland and will continue to offer customers transport of project cargoes and regular international forwarding.

Tschudi Logistics AS has experienced significantly increased volumes and a very positive 2020 due to reduced tax-free sale and cross border trade of wine and liquor caused by the Covid-19 restrictions. In fact, an all-time high volumes of wine and liquor was reached by both Oslo and Rotterdam offices. At the end of 2020, with the ongoing merger process between the Finnish Altia and Arcus, the owning company of Vectura, Tschudi Logistics' main customer in Norway, the current contract for importing alcoholic beverages was prolonged until 1 July 2021.

Tschudi Logistics Finland success was recognized by receiving the two awards from the Finnish business media Kauppalehti "Growth company 2020" and "Achievers 2020". However, 2021 started with a change when the tank container business in Finland, Tschudi Tank Transport OY, was sold to Den Hartogh Logistics BV, whom they have represented as their agent. The initiative for this was taken by Den Hartogh Logistics BV following a strategic decision on their hand to take over from their traditional agents. All other logistics activities in Tschudi Logistics OY will continue under new management in Turku. Focus is on development and expansion of project and forwarding activities not only in Europe but also worldwide.

In April 2021, Tschudi Logistics Holding AS bought a shareholding (8,8%) in the Norwegian company Swipload Technologies AS. Swipload is a digital solution connecting transport buyers with quality-assured Norwegian carriers across the country. This is an important move for Tschudi Logistics to keep abreast of the ongoing digital development.

The Tschudi Logistics Holding AS subsidiary, Tschudi Road Transport AS, offers groupage, part and full trailer loads. Despite challenges with Covid-19, our competent team of drivers has continued to provide reliable transportations across Europe.

There has been increased focus on developing our activities in Mozambique with Tschudi Mozambique Lda (TLMZ) – the partnership with EnergyWorks where the Group owns 49%. Our local team in Maputo provides logistics, ship management and on-site services in several Mozambican ports. TLMZ, registered and licensed as a local entity in Mozambique, tenders for various projects in Mozambique as a local supplier in cooperation with various ship-owners and contractors. During 2020, TLMZ had increased activities with deliveries of Covid-19 infection protection equipment from China to Mozambique, trucking Isopropanol (IPA) for hand sanitizers and transporting necessity goods.



ANNUAL REPORT 2020  
DIRECTOR'S REPORT

TSCHUDI SHIPPING COMPANY AS

## Northern Region

In 2020, Tschudi Arctic Transit successfully carried out another series of 7 LNG transshipments in the Sarnes Fjord near Honningsvåg (North Cape). This was a continuation of our successful 123 operations, transshipping 19.8 million m<sup>3</sup>, in 2019. Compliments for our good work have been received from our customer Yamal LNG. Positive media coverage was also received from the local press.

Tschudi again proved that it is a diversified group which, by combining various internal maritime, logistics and administrative skills, can deliver a variety of complex services to specific projects. Our services enable a quicker turn-around of the Arc7 ice-class LNG carriers and increases the transport capacity for our customer. Experience from our previous project resulted in quicker operations, incl. loading / unloading of equipment. The 2020 operations were conducted in strict compliance with national and local regulations with respect to COVID-19. Apart from some delays in start-up of the operations caused by quarantine provisions, all operations were executed without any major incidents or delays.

During the winter season 2020 and 2021, the LNG-transshipments have been conducted in Russia and the only involvement from our side is currently a Service Agreement with Yamal Trade for the storage and service of two full sets of LNG STS equipment at Honningsvåg.

Offshore and industry related activities in the North are carried out by Boreal Offshore AS and Boreal Maritim AS, located in Skjervøy, Northern Norway. This location also provides a strong presence in an active region for fish farming, and the two companies provide services for this industry. Following a restructuring and split of the Boreal Group of companies combined with a share issue in Boreal Maritim AS, Tschudi Shipping Company now owns 100% of Boreal Offshore AS and 37% of Boreal Maritim AS. Boreal Maritim has our two remaining part owned assets in the offshore sector the workboats M/S Tor Arne and M/S Runa. Boreal Maritim continues to have an oil spill contingency contract for both workboats with Norwegian Clean Seas Association for Operating Companies (NOFO) in addition to serving the local fish farming industry. Boreal Offshore owns an industrial site, well positioned for maritime services, at Skjervøy.

Throughout 2020, Boreal has been kept relatively busy with fish farming projects, general repairs and towing jobs. Tor Arne was also engaged as a supply boat for the LNG STS transshipment project in Honningsvåg. Production of the aluminium boxes for the fish farming industry continues, currently at small scale due to Covid-19 restrictions. These boxes have been very popular with the users and we are aiming to produce these on a bigger scale at the local workshop in Skjervøy.

Tschudi Arctic Protection (TAP) was established in 2019. TAP is an approved RSO (Recognized Security Organization) by the Norwegian Coastal Administration, (Kystverket) offering advisory services to ports and port facilities regarding the implementation of the ISPS code. Guidance for oil spill preparedness planning and execution and online personnel training is also provided. With a limited number of RSOs in Norway, there is an increasing awareness of TAP in the market. Several inspections have been made in the north of Norway, including an assessment of 5 ports in Svalbard. A change in ownership resulted in Tschudi Shipping Company reducing their share to 76%, with North Agency AS and Per Eilert Thomassen owning 12% each.

## Our Environmental, Social and Governance (ESG) journey

The Company is very aware of its corporate responsibility to take initiatives to reduce or remove its own and its subcontractors negative impact on the environment. The latest development with increased focus on ESG issues is welcomed by the Company and it is believed that for us acting as a responsible corporate global citizen will create even more playing field to our benefit. In order to motivate and accelerate further positive development for the Company in this respect it has been decided to employ one person with a particular responsibility for working with these aspects and see how we can improve our performance with regard to ESG issues.



By continuously evaluating the United Nation's Sustainable Development Goals (SDGs) against the value chain of each of our businesses we will decide how our ESG priorities can add most positive impact while also creating value for us. Our aim is to deliver and develop services that allow customers to reduce their emissions. This responsibility includes measuring and reporting our environmental performance, as well as setting concrete quantitative targets for future performance.

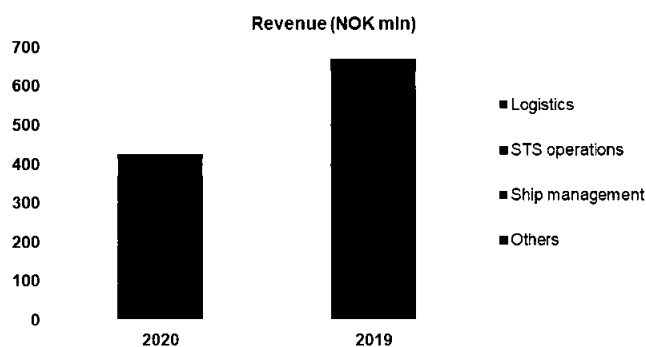
We work in partnerships with our customers and suppliers to find better solutions and create value through cooperation. Customers and suppliers are invited to help define and communicate where and how we can improve individually and together.

Operating in several geographical markets and offering a wide range of services, our prime focus in 2021 will be on the *Sustainable Development Goal 13 – "Climate action"*.

## FINANCIAL PERFORMANCE

### Revenue and profits

In 2020, revenue of the Group amounted to NOK 426.8 million, which was NOK 244.5 million lower than revenue in 2019. The decrease was mostly related to the Ship-to-Ship transshipments of Liquid Natural Gas (LNG STS operations), which generated NOK 37.8 million of revenue in 2020 and NOK 255.2 million of revenue in 2019. As mentioned already before, we conducted significantly fewer LNG transshipments in 2020. The Group's revenue decreased also as a result of the deconsolidation of Boreal Maritim AS (ownership in this company decreased from 60% to 37% in 2020) and reduced activities in Boreal Offshore AS. In total, revenue of Boreal companies included in the Group's consolidated revenue decreased from NOK 23.4 million in 2019 to NOK 4.4 million in 2020.



The most significant proportion of the Group's revenue was generated by the logistics companies in both years decreasing slightly from NOK 337.6 million in 2019 to NOK 334.1 million in 2020. However, behind this small change, there were significantly increased volumes due to Covid-19 and alcohol purchases restricted to Norway (plus NOK 16.2 million) and deliveries of Covid-19 infection protection equipment (at NOK 15.2 million), which were structured as sales of goods and not just transportation service. At the same time, forwarding/project transport revenue of our Finnish and Danish offices decreased by 20-30% (by NOK 27.9 million, in total) after a very good year in 2019.

In 2020, cost of goods and services sold (incl. depreciation charge) decreased slightly more than revenue compared to 2019 - by 40% versus 36%. Operating profit of the Group amounted to NOK 13.6 million in 2020, which is NOK 11.2 million higher than operating profit in 2019. Net financial items contributed negatively by NOK 1.3 million in 2020, which was NOK 3.5 million of improvement compared to the previous year. Approximately half of the improvement was related to lower currency translation loss and another bigger effect came from lower interest expenses after the deconsolidation of Boreal Maritim AS. Net result of the Group amounted to NOK 9.6 million in 2020, which was NOK 13.2 million better result compared to NOK (3.6) million in 2019.

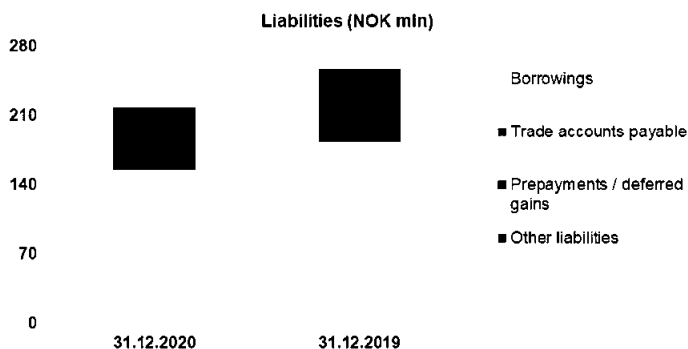
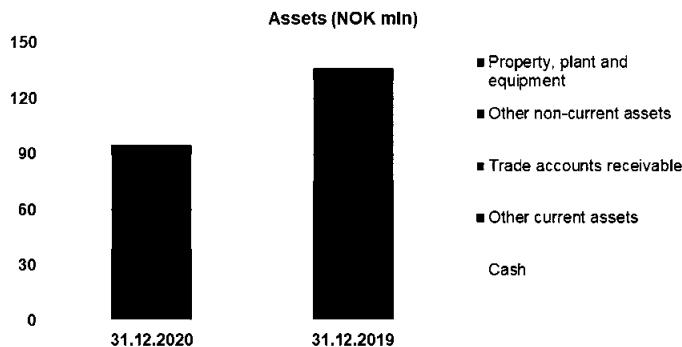


ANNUAL REPORT 2020  
DIRECTOR'S REPORT

TSCHUDI SHIPPING COMPANY AS

## Assets and liabilities

In 2020, the Group's total assets decreased by NOK 29.0 million (19%) from NOK 148.9 million to NOK 119.9 million. This decrease was mostly related to the sale of controlling ownership in Boreal Maritim AS resulting in the deconsolidation of workboats (NOK 37 million) and other assets. At the same time, the balance of cash and cash equivalents increased by NOK 13 million mostly as the result of the sale of Tschudi Tank Transport Oy in January 2021 with payment of the preliminary agreed price in December 2020.



In 2020, the total balance of liabilities decreased by NOK 38.5 million from NOK 256.9 million to NOK 218.4 million and like on the asset side it was mostly related to the deconsolidation of Boreal Maritim AS (NOK 36.7 million) and a deferred gain from the sale of Tschudi Tank Transport Oy. In addition, the Group has also decreased its balance of outstanding payables to suppliers (mostly in the logistics companies, which was partly related to the timing issue of bigger projects). The shareholders' subordinated loans in the total amount of NOK 142.7 million form the biggest part of the Group's liabilities (65%).

The Group's equity increased from NOK (108.0) million at the end of 2019 to NOK (98.5) million at the end of 2020. The increase was mainly related to net profit for the financial year.

## Parent Company

The revenue of the Parent Company was NOK 8.0 million in 2020 and consisted of management fees from subsidiaries and a sister company together with its subsidiaries and sub-lease income from subsidiaries and external parties. Compared to 2019, revenue decreased by NOK 3.8 million, which was mostly related to lower management support to a subsidiary related to the LNG STS operations. At the same time the decrease in personnel expenses amounted to NOK 2.1 million and other administrative expenses decreased by NOK 2.3 million, after which the operating loss of the Parent Company decreased from NOK 10.1 million in 2019 to NOK 9.5 million in 2020.

Net financial items amounted to NOK 5.9 million in 2020, while it was NOK 15.1 million in 2019. The decrease was mostly related to higher impairment loss from investments into subsidiaries and lower group contribution income from subsidiaries in 2020. Net loss for 2020 amounted to NOK 3.7 million after NOK 0.1 million of tax expense. Net loss after tax is proposed to be allocated to other equity.

The main assets in the balance sheet are non-current assets, which decreased by NOK 4.5 million from NOK 56.9 million as of 31 December 2019 to NOK 52.4 million as of 31 December 2020 (mostly as a result of additional impairment loss recognized in 2020). The Parent Company's current assets decreased from NOK 19.9 million as of 31 December 2019 to NOK 15.6 million as



ANNUAL REPORT 2020  
DIRECTOR'S REPORT

TSCHUDI SHIPPING COMPANY AS

of 31 December 2020. The main reason for the decrease in current assets was lower group contributions for 2020 compared to 2019.

Total liabilities of the Parent Company amounted to NOK 174.5 million at the end of 2020, which was 4.9 million lower compared to the end of 2019. As of 31 December 2020, 82% of the total liabilities (NOK 142.7 million) was subordinated loan from the Parent Company's ultimate controlling shareholders, which stayed at the same level during 2020. The decrease in liabilities was mostly related to payables to subsidiaries.

## FINANCIAL RISKS

The Group's total risk exposure is analyzed and evaluated at corporate level. Risk evaluations are an integrated part in all business activities of the Group. In its daily activities, the Group is exposed to different types of financial risk (liquidity risk, credit risk, currency risk, fair value interest rate risk and cash flow interest rate risk); managing these is important and an integral part of the business activities of the Group. The Group companies' ability to identify, measure and control different risks is a key for the Group's profitability.

### Market Risk

At the end of the 2020, the most significant operational and market risk of the Group is the exposure towards the logistics market. The specific segment, where the Group's logistics companies have been operating over the past years, is more influenced by political decisions (e.g., by tension between Russia and Western countries etc.). In addition, the Group now also has a significant interest in the Ship-to-Ship transfer markets for LNG and Petroleum products and from the point of view of credit risk, the Group is also exposed towards the iron ore market (see more under credit risk below).

### Liquidity Risk

The Group's objective is to have sufficient amounts in liquid assets to be able to support current projects and the ongoing business. The management monitors rolling forecasts of the Group's liquidity reserve (comprises cash and cash equivalents and undrawn borrowing facility) on the basis of expected cash flows. The liquidity reserves are monitored at company level, at business line level and at the Group level.

The working capital (current assets less current liabilities) increased by NOK 21.1 million in 2020, from NOK (7.5) million to NOK 13.6 million. NOK 5.5 million of the improvement was related to the deconsolidation of Boreal Maritime AS. The remaining improvement was mostly related to net profit for 2020 (NOK 9.5 million) and long-term loan repayments from a sister company (NOK 4.5 million). At the end of 2020, the Group also had undrawn factoring and overdraft facilities in the total amount of NOK 9.2 million. Taking this amount into account, the Group's working capital amounted to a positive figure of NOK 22.8 million as of 31 December 2020.

At the end of 2020, the book value of the equity amounted to NOK (98.5) million (2019: NOK (108.0) million) and shareholders' contribution measured as equity (excluding minority interests) plus sub-ordinated loans provided by the shareholders equals NOK 44.2 million (2019: NOK 41.7 million).

The negative equity and limited liquidity of the Group were caused by very weak shipping markets over a long period. As a consequence, during 2017-2019, the Group sold the last vessels of its deep sea fleet and settled related bank loans, thereby reducing significantly exposure and negative operating result and cash flows. Furthermore, the activities in the Boreal Offshore Group, had also suffered from reduced shore based project work and the late delivery of a newbuilding of Boreal Maritime AS. In 2020, the ownership in Boreal Companies was restructured; the Group's logistics companies have experienced positive



ANNUAL REPORT 2020  
DIRECTOR'S REPORT

TSCHUDI SHIPPING COMPANY AS

developments expanding both their workforce and geographical reach; LNG STS operations continued; the agreement with a new investor was signed for the mining project financed by the Group (via the sister company Titlis AS) and shares of Tschudi Tank Transport Oy were sold in 2021 - all these positive events have improved the Group's liquidity situation.

The Group's management is confident that the existing continuing operations represent a strong foundation for further improvement of the Group's financial position. It is recognized that the liquidity situation requires particular focus and cost control at all levels in the Group. The repayment of loan receivables from Titlis AS, which is scheduled to take place in 2021-2022, will help the liquidity situation significantly. If Titlis AS should fail to pay as planned the expected positive effect on the liquidity situation of the Group will be delayed (see also credit risk below).

#### **Credit Risk**

Credit risk involves the potential losses arising from the counterparty's inability to honor its financial obligations to the Group. The credit risk has been given high priority by the management and trade receivable balances are monitored on an ongoing basis to mitigate the Group's exposure to bad debts. This has had particular focus during the subsequent Corona virus pandemic. The Group's main credit risk is related to a receivable of NOK 18.3 million from the sister company - Titlis AS. At the end of 2020, there were no other significant credit risk concentrations.

In 2016, Titlis AS purchased the main properties, rights and assets from the Sydvaranger Gruve bankruptcy estate. In this process, Tschudi Shipping Company AS provided loans to Titlis AS. In addition, Titlis AS purchased 100% ownership in Tschudi Kirkenes AS during the Tschudi group restructuring in March 2017 for which the payment is due in January 2023. The credit risk exposure towards Titlis AS is dependent on the general development in Kirkenes and in particular on the success of the effort to restart the mining operations. A significant milestone was reached in March 2018 when Sydvaranger AS (the holding company of the mining related companies under the Titlis group) signed a term sheet with Orion Mine Finance securing funding of the mine project. An initial tranches of funding of \$ 30 million were made available to the Sydvaranger group in 2018-2020 to undertake the pre-start works in line with its plans. Moreover, in March 2019, after a demanding two-year process, the Ministry of Trade, Industry and Fisheries granted the final mining concession required to restart operations. At the beginning of 2021, the shares of Sydvaranger Mining AS (a sub-holding company of the mining companies) were sold to a new investor Tacora Resources Inc. In the process the Orion loan was refinanced and additional financing was secured to support the reopening of the mine. These factors give the management of the Group strong reasons to expect that the receivables due from Titlis AS will be repaid in 2021-2023 according to the current schedule.

## **OUTLOOK FOR 2021**

Following the payment of its remaining obligations as agreed with DVB Bank B.V. in 2019, the Company has no external financial creditors. As a result of the restructuring of the offshore business, the Group has a significantly reduced financial exposure and management capacity is again used for normal operations and to develop and expand our existing businesses based on our main strengths.

Our activities have continued at a steady pace during the year and have also this year experienced positive developments. Our aim is to grow these businesses and look for new business opportunities building on our very competent teams with a continued strong customer focus.

The LNG STS operation in Honningsvåg, completed another short series of successful STS operations in April 2020. It is hoped that we may be able to again build on these merits and develop new business handling both the LNG, crude oil and oil products going forward.



ANNUAL REPORT 2020  
DIRECTOR'S REPORT

TSCHUDI SHIPPING COMPANY AS

Tschudi Ship Management (TSM) works in demanding project driven markets working out solutions as part of the clients' teams. The majority of the vessels operated by TSM are now specialized vessels requiring unique solutions. The Tschudi Group has been serving the wind industry for more than a decade at a steady pace and companies within the Group have been pioneers on many occasions. Seeing the increasing market for offshore wind servicers we aim to position ourselves stronger in this market by building on our very experienced and strong teams benefitting from spotless performance records combined with a strong entrepreneurial spirit. The company will continue to market these services together as well as services for more conventional vessels. For that reason, we have also maintained core competences related to offshore and towage in Holland following the restructuring of the Group. TSM can also offer commercial management and operation in cooperation with its Dutch subsidiary, Tschudi Shipping Company in Norway and Tschudi Logistics in Denmark.

As a part of a refinancing and restructuring of the Boreal companies in the first quarter of 2020, the Group reduced its shareholding in Boreal Maritim AS from a majority position to a minority position and increased its shareholding in Boreal Offshore AS up to 100%. This combined with a share issue has made Boreal Maritim a much stronger company, prepared for expansion and it is believed that the business platform for Boreal Maritim AS will increase, as the other shareholders have a strong position in the regional fish farming industry. Boreal Offshore, now standing more independent, will seek to develop other services to the maritime industry and the fish farming industry from its property at Skjervøy.

The continued dramatic development with escalation of the Covid-19 pandemic has had its bearing on our businesses and the way we work. For some of our business areas we have seen that some business has been delayed, or even disappeared, others have seen increase in complications and costs while some even have seen increase in business due to redirection from other areas or suppliers. As for our offices and "field workers" we have loyally followed the directives from the authorities and also made our own arrangements to contribute to the containment of the infections. These measures, including extensive use of home offices, have required that we have changed the way we work. Some of these changes we will bring with us into the post Corona world. Even if the known negative implications for the Group at the time of writing have been limited, we must still expect that the Covid-19 situation will have more negative effects for our businesses if it lasts longer than expected.

On a final note, it is in its place to repeat the statement from last year and the years before: "With roots back to 1883, the Tschudi Group of today is of course far from the same company as then. However, the values found in the company remain the same. We must continue to look forward and prepare for the future as expressed in our core value – proactivity while building on the two others: commitment and respect."

## GOING CONCERN

Based on the above and further supported by the positive shareholders' contribution (consisting of equity attributable to the majority and subordinated shareholder's loan) and working capital (including undrawn factoring and overdraft facilities) as well as forecasted future cash flows of the Group, the Board confirms that the financial statements are prepared under the going concern assumption in accordance with the Norwegian Financial Reporting Act §3-3a.

## HUMAN RESOURCES AND THE WORKING ENVIRONMENT

The Tschudi Group's performance is based on the expertise and experience of a strong international team, operating in several countries and business areas. We have a strong focus on our employees as our present and future success depends on dedicated and motivated staff.



ANNUAL REPORT 2020  
DIRECTOR'S REPORT

TSCHUDI SHIPPING COMPANY AS

The Group's human resource policy outlines the main principles for the employer's liability in areas such as the working environment, labor standards and human rights. With people from many cultures, we strive to enable all employees to realize their potential and provide a healthy and safe working environment. The Group aims to provide a workplace with equal opportunities for all employees and has a non-discriminatory personnel policy regarding salaries, promotions and employment.

The Group had 192 employees at the end of 2020, incl. 90 as crew for external vessels under crew management. In the Head Office of the Group, there were 5 full-time and 1 part-time employee at the end of 2020. The Board of Directors consists of two male directors. Sick leave within Tschudi Shipping Company AS in 2020 was 0% (2019: 0.2%). No sick leave can reflect the Covid-19 pandemic throughout 2020 when employees were primarily working from home. Nevertheless, we are naturally proud of this stable, very low sick leave which we feel reflects a positive and healthy working environment. Our aim is to maintain this level by nurturing this positive environment, offering employees annual medical check-ups and encouraging sports activities.

## RISK & SHEQ (Safety, Health, Environment & Quality) MANAGEMENT

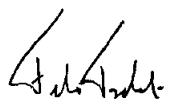
The Group has a proactive approach to safe and environmentally friendly operations with particular focus on the safety of personnel both at sea and ashore, while providing customers with quality products and services. By complying with international conventions and national and flag state regulations, all reasonable actions including provision of the right equipment, procedures and training is undertaken to prevent pollution and leaving a positive footprint from our operations.

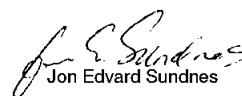
In 2020, the Group embarked on a journey set forth by the new focus on ESG and the UN sustainability development goals, and took its first steps to adjust the groups traditional risk and SHEQ management accordingly (see also the section "Operations and Locations" above).

The Group's vessels (including those under ship management) are transferring bunker and lubricant oils in compliance with relevant procedures and contingency plans. LNG STS transshipments were conducted in Northern Norway in April 2020. During 2020, there were no environmentally related incidents on vessels under our management or during the LNG STS transshipment operations.

During 2020, no incidents with damage to property were registered. The Lost Time Injury Frequency (LTIF) was also zero for Tschudi Logistics Holding, Tschudi Arctic Transit and Tschudi Arctic Protection and 1.0 for Tschudi Ship Management. The Group's operational Safety and Quality Management Systems has a strong focus on avoidance of accidents and risks.

Lysaker, 29 June 2021

  
Felix Henry Tschudi  
Chairman of the Board

  
Jon Edvard Sundnes  
Member of the Board



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

## CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED INCOME STATEMENT

for the years ended 31 December

	Notes	2020	2019
		NOK'000	NOK'000
Revenue	3	426,763	671,342
Other operating income	3	915	461
<b>Total operating income</b>		<b>427,678</b>	<b>671,803</b>
Cost of sold goods and services	4	(362,550)	(530,773)
Administrative expenses	4	(47,671)	(57,957)
Other operating expenses	4	(918)	(3,587)
<b>Total operating expenses</b>		<b>(411,139)</b>	<b>(592,317)</b>
<b>Operating profit before depreciation and amortization</b>		<b>16,539</b>	<b>79,486</b>
Depreciation and amortization	7	(2,920)	(77,049)
<b>Operating profit</b>		<b>13,619</b>	<b>2,437</b>
Financial income	5	1,350	1,359
Financial expenses	5	(1,369)	(3,361)
Equity method gain	2.2	150	-
Gain / (loss) from currency translations		(1,434)	(2,853)
<b>Total net financial items</b>		<b>(1,303)</b>	<b>(4,855)</b>
<b>Profit / (loss) before taxes</b>		<b>12,316</b>	<b>(2,418)</b>
Income tax expense	6	(2,728)	(1,177)
<b>Profit / (loss) for the year</b>		<b>9,588</b>	<b>(3,595)</b>
Attributable to:			
- shareholders of the Parent	11	10,323	(2,595)
- minority interests	11	(735)	(1,000)



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

## CONSOLIDATED BALANCE SHEET

as of 31 December

	Notes	2020	2019
		NOK'000	NOK'000
<b>Non-current assets</b>			
Software		171	362
Deferred tax asset	6	945	1,994
<b>Intangible assets</b>		<b>1,116</b>	<b>2,356</b>
Workboats		-	37,095
Real estate		2,060	1,984
Machinery (incl. mean of transport)		7,798	8,467
Other property, plant and equipment		1,166	1,204
Construction in progress		405	405
<b>Property, plant and equipment</b>	7	<b>11,429</b>	<b>49,155</b>
Long-term receivables from group companies	9	18,344	22,378
Other long-term receivables	9	3,617	1,654
Investments into shares	2.2	4,670	116
<b>Non-current financial assets</b>		<b>26,631</b>	<b>24,148</b>
<b>Total non-current assets</b>		<b>39,176</b>	<b>75,659</b>
<b>Current assets</b>			
Inventories	8	187	1,589
Prepaid expenses		2,468	1,601
<b>Non-financial current assets</b>		<b>2,655</b>	<b>3,190</b>
Trade accounts receivable	9	51,294	54,412
Other short-term receivables	9	1,702	3,126
<b>Current receivables</b>		<b>52,996</b>	<b>57,538</b>
<b>Cash and cash equivalents</b>	10	<b>25,050</b>	<b>12,514</b>
<b>Total current assets</b>		<b>80,701</b>	<b>73,242</b>
<b>Total assets</b>		<b>119,877</b>	<b>148,901</b>



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

## Consolidated balance sheet (cont.)

as of 31 December

	Notes	2020	2019
		NOK'000	NOK'000
<b>Equity</b>			
Issued capital		15,460	15,460
Reserves		6,300	5,909
Accumulated losses		(120,217)	(122,352)
<b>Equity attributable to shareholders of the Parent</b>		<b>(98,457)</b>	<b>(100,983)</b>
<b>Minority interests</b>	2.1	<b>(56)</b>	<b>(7,028)</b>
<b>Total equity</b>	11	<b>(98,513)</b>	<b>(108,011)</b>
<b>Non-current liabilities</b>			
Pension liability	4.2	1,072	1,452
Deferred tax liability	6	458	477
<b>Long-term provisions</b>		<b>1,530</b>	<b>1,929</b>
Subordinated loan from shareholders		142,700	142,700
Other borrowings		7,050	31,508
<b>Long-term payables</b>	12	<b>149,750</b>	<b>174,208</b>
<b>Total non-current liabilities</b>		<b>151,280</b>	<b>176,137</b>
<b>Current liabilities</b>			
Borrowings	12	5,669	9,320
Trade accounts payable	13	21,562	35,479
Corporate income tax payable		864	1,351
Public duties payable		6,729	6,933
Other current liabilities	13	32,286	27,692
<b>Total current liabilities</b>		<b>67,110</b>	<b>80,775</b>
<b>Total liabilities</b>		<b>218,390</b>	<b>256,912</b>
<b>Total equity and liabilities</b>		<b>119,877</b>	<b>148,901</b>



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

## CONSOLIDATED CASH FLOW STATEMENT

for the years ended 31 December

	Notes	2020	2019
		NOK'000	NOK'000
Operating profit		13,619	2,437
Non-monetary adjustments of operating profit			
- depreciation and amortization		2,920	77,049
- gain on disposals of property, plant and equipment		(548)	(461)
- loss / (gain) on disposals of subsidiaries	2.1	(152)	3,549
- other adjustments		(926)	32
Changes in assets related to operating activities			
- change in trade and other receivables		4,561	4,811
- change in inventories and prepaid expenses		(738)	3,663
Changes in liabilities related to operating activities			
- change in trade and other payables		(17,338)	(26,898)
- change in other liabilities related to operating activities		(217)	(78,705)
Interests paid		(988)	(1,968)
Interests received		119	78
Income tax paid		(2,113)	(686)
<b>Net cash flow used in operating activities</b>		<b>(1,801)</b>	<b>(17,099)</b>
Purchases of property, plant and equipment and intangible assets		(383)	(32,090)
Proceeds from sales of property, plant and equipment		971	2,003
Proceeds from the sales of subsidiaries	2.1	14,073	-
New loans granted and new deposits placed		(2,258)	(96)
Loans and deposits collected		4,529	1,375
Cash used in regarding other investing activities		(1,102)	(209)
<b>Net cash flows from / (used in) investing activities</b>		<b>15,830</b>	<b>(29,017)</b>
Proceeds from borrowings		1,630	11,329
Repayments of borrowings		(3,660)	(8,220)
Cash flow from transactions with minority interests	2.1	(49)	-
<b>Net cash flows from / (used in) financing activities</b>		<b>(2,079)</b>	<b>3,109</b>
<b>Total net cash flow</b>		<b>11,950</b>	<b>(43,007)</b>
Net foreign exchange difference		586	(3,130)
Cash and cash equivalents at the beginning of the year		12,514	58,651
<b>Cash and cash equivalents at the end of the year</b>	10	<b>25,050</b>	<b>12,514</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 1 Corporate information and the summary of significant accounting policies

Tschudi Shipping Company AS (hereinafter "the Parent Company") is a limited liability company incorporated and domiciled in Norway. The address of the main office is P.O. Box 86, 1325 Lysaker, Norway. The visiting address is Strandveien 50, 1366 Lysaker. The principal activities of Tschudi Shipping Company AS and its subsidiaries (hereinafter together "the Group") were logistics, ship management and Ship-to-Ship transshipments of Liquid Natural Gas (LNG STS operations) in the reporting year. Information on the Group structure is provided in Note 2.1.

#### 1.1 Basis on preparation

The consolidated financial statements of the Group for 2020 have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The consolidated financial statements have been prepared on a historical cost basis and are presented in Norwegian krone (NOK) rounding all values to the nearest thousand (NOK '000) except when otherwise indicated.

The consolidated financial statements of the Group have been prepared under the going concern assumption. During last couple years some important projects and transactions with significant positive impact on the Group's liquidity situation have materialized. Despite these positive developments the liquidity situation of the Group is still considered to be tight and has the full attention of the management. This position may be improved with continued positive development in the Group's business areas and furthermore by the repayments of loans from related parties expected during 2021-2023. The liquidity situation is also sensitive to changes to the underlying business conditions creating the basis for the cash flow forecasts, which may as an ultimate consequence have impact on the going concern assumption. The management believes after the Tschudi Logistics Group has experienced positive development throughout 2020, again expanding both their workforce and geographical reach; developments in the mining project financed by the Group; the LNG STS operations; and restructuring Boreal Offshore group that it is appropriate to use the going concern assumption in preparing the current consolidated financial statements.

Despite the negative equity of NOK 99 million the shareholders' consideration defined as equity attributable to shareholders of the Parent plus subordinated shareholders loan amounts to NOK 44 million. The main uncertainty regarding the going concern assumption is the liquidity position. More details on liquidity risk and the management's view on future of the Group can be read under "Financial risks" and "Outlook" of the Director's Report.

#### 1.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of Tschudi Shipping Company AS and its subsidiaries as of 31 December each year. For the purposes of consolidation, the financial statements of subsidiaries are prepared for the same reporting year as of the Parent, using consistent accounting policies. If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for the same type of transactions and events in similar circumstances, appropriate adjustments are made to its financial statements in preparing the consolidated financial statements.

All intra-group transactions, balances, income and expenses and unrealized profits on transactions between the Group companies are eliminated in full. Unrealized losses are eliminated unless costs cannot be recovered.



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

The purchase method is applied when accounting for business combinations. Companies which have been bought or sold during the year are included in the consolidated financial statements from the date when control is achieved and until the date when control ceases.

The minority interests represent the proportion of profit or loss and net assets not held by the Group and are presented separately in the income statement and within equity in the consolidated balance sheet, separately from parent shareholders' equity. Losses are attributed to the minority interest even if that results in a deficit balance. Gains and losses from transactions with minority interests are recorded directly in equity.

If the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, the carrying amount of any minority interest and the cumulative translation differences, which were recorded in equity, recognizes the fair value of the consideration received, fair value of any investments retained and any surplus or deficit in profit or loss and reclassifies the Parent's share of components previously directly recognized in equity to profit or loss. Gains and losses from the sales of subsidiaries, which are not classified as discontinued operations, are presented under other operating income or other operating expenses. Profits and losses of discontinued operations are presented net of income tax and separately from profits and losses of continuing operations for the reporting period as well as for the previous period.

### 1.3 Foreign currency translation

The accounting currency (functional currency) of the Parent Company is Norwegian krone (NOK). The entities in the Group operate in markets with different currencies. Each entity in the Group determines its own functional currency based on its primary economic environment in which the entity operates (functional currency of each entity is disclosed in Note 2.1).

Items included in the financial statements of each entity are measured using that functional currency. Transactions in currencies other than the functional currency (i.e., in foreign currencies) are initially recorded at the functional currency rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange at the balance sheet date, and all changes are taken into profit or loss. Non-monetary items that are measured in the terms of historical costs in a foreign currency are translated using the exchange rate at the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The presentation currency of the consolidated financial statements of the Group is the functional currency of the Parent Company - NOK. As of the reporting date, the assets and liabilities of the Group companies with functional currency other than NOK are translated into the presentation currency of the Group at the rate of exchange at the balance sheet date and their income statements are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are recognized in currency translation reserve within equity.

In 2020 and 2019, the weighted average and year-end closing exchange rates for the most significant currencies of the Group were as follows:

	Average rates		Year-end rates	
	2020	2019	2020	2019
NOK/EUR	10.713116	9.854311	10.470300	9.863800
NOK/USD	9.390219	8.802748	8.532600	8.780300

On disposal of a foreign operation (either as a subsidiary or as a business / main asset(s)), the currency translation reserve relating to that particular foreign operation is recognized in the income statement.



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

#### 1.4 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of value added tax, commission fees and discounts. The following specific criteria must also be met before revenue is recognized:

- management fee income and revenue from the sale of other services (including logistics companies' revenue and revenue from LNG STS operations) are recognized in the period the services are provided;
- revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on the delivery of the goods;
- rental income arising from operating leases is accounted for on a straight line basis over the lease terms.

#### 1.5 Corporate income tax

The Parent Company and its subsidiaries not listed separately below:

Corporate income tax of the Parent Company and its subsidiaries (except for the Estonian subsidiaries) consists of current income tax and deferred income tax. Corporate income tax relating to items recognized directly in equity is also recognized in equity and not in the income statement.

The company's net profit adjusted by temporary and permanent differences as determined in income tax acts is subject to current income tax. In 2019 and 2020, the tax rate for Norwegian companies was 22%. Tax rates for other companies of the Group were from 15 to 22%.

Deferred income tax is recognized using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax assets are recognized to the extent that it is probable that unused tax credits and unused tax losses can be utilized against future taxable profit. Deferred income tax is measured at tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates and tax acts that have been enacted or substantively enacted at the reporting date. Deferred income tax assets and liabilities are offset if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and/or the same taxation authority.

#### Subsidiaries registered in Estonia

According to the Estonian Income Tax Act, the company's net profit is not subject to income tax, but all dividends paid by the company are subject to income tax. The income tax rate was 25% of net dividends paid out in 2020 and 2019. Thus there are no temporary differences between the tax bases and carrying amounts of assets and liabilities that may cause deferred income tax. The potential tax liability of the Estonian subsidiaries of the Group related to the distribution of their retained earnings as dividends is not recorded in the balance sheet, but is disclosed in notes to the consolidated financial statements. The amount of the potential tax liability related to the distribution of dividends depends on when, how much and from which sources the dividends are paid out. Corporate income tax arising from the dividends is accounted for as an expense in the period when dividends are declared.

#### 1.6 Property, plant and equipment

Property, plant and equipment (PPE) are initially recognized at cost, containing the purchase price, including non-refundable duties / taxes and direct acquisition costs related to making the asset ready for use. Direct day-to-day maintenance and servicing costs are expensed when incurred, whereas improvements and upgrading are assigned to the acquisition cost.



After recognition, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a straight-line basis over the useful life of the assets taking residual values into consideration. The estimated useful lives of the assets are as follows:

Real estate	15 years
Workboats	7-25 years*
Other items	1-10 years

\* the useful life of workboats depends on the age of the asset at the acquisition moment.

At each reporting date, the Group assesses whether there is any indication that property, plant and equipment may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. Impairment charges are recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. At each reporting date it is also assessed whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognized.

## 1.7 Inventories

Inventories are mainly comprised bunker oil and spare parts on board vessels (incl. vessels used under charter agreement). Inventories are recorded at the acquisition cost containing the purchase price, non-refundable taxes and direct transportation costs related to the purchase, less discounts. Inventories are measured using the FIFO principle. After initial recognition, inventories are valued at lower of cost and net realizable value.

## 1.8 Trade accounts receivable and other receivables

Trade accounts receivable and other receivables are carried at amortized cost using the effective interest rate method (which equals to their nominal value for most of receivables of the Group), less impairment. Impairment allowance for doubtful receivables are based on an individual assessment of the different receivables and any impairment loss from receivables other than granted loans is recognized under operating expenses and impairment loss from granted loans is recognized under financial expenses. Interest income from loan and other receivables is recognized as interest accrues (under financial income) to the extent that it reflects the effective yield on the asset.

Receivables, which are due and expected to collect within one year, are presented under current assets and other receivables under non-current assets.

## 1.9 Cash and cash equivalents and cash flow statement

In the balance sheet and cash flow statement, cash and cash equivalents are highly liquid funds with low variation in value, such as cash in hand, cash at bank demand accounts and short-term deposits with an original maturity of three months or less. The cash flow statement is presented using the indirect method.



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

## 1.10 Financial liabilities, excluding derivatives

Financial liabilities are initially accounted for at their acquisition cost consisting of the fair value of the amounts received thereof. After initial recognition, financial liabilities are measured at their amortized cost using the effective interest rate method. Transaction costs are taken into consideration upon calculating the effective interest rate, and charged to expenses over the term of the financial liability.

Financial liabilities, which are due within one year, are presented under current liabilities and other financial liabilities are presented under non-current liabilities.

Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the amortization process, except for gain from debt forgiveness, which is recorded directly in equity. Borrowing costs are recognized as an expense when incurred and presented under "financial expenses" in the income statement, except for borrowing costs related to the financing of the assets constructed for own use which are capitalized as part of the cost of the respective assets (from the launch of construction until the completion of works).

## 1.11 Leases

Leases which transfer to a lessee substantially all the risks and benefits incidental to ownership of the leased asset are classified as finance leases. Other lease agreements are treated as operating leases.

Finance leases are capitalized at the inception of the lease at the fair value of the leased assets or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

## 1.12 Pensions and other employee benefits

The Group has an unfunded defined benefit pension plan. The cost of providing benefits under the defined plan is determined separately for each plan using the projected unit credit actuarial valuation method. Re-measurements, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings. Net interest is calculated by applying the discount rate to the defined benefit liability, which is recognized under personnel expenses in the consolidated income statement.

The Group also has defined contribution pension plans. For these plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefit expense when they are due.



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

## NOTE 2 Group structure, changes in the structure and associated companies

### 2.1 Subsidiaries

The Group has an ownership in the following subsidiaries (subsidiaries, which were dormant both at the end of 2020 and 2019, have not been listed below):

Name of companies	Country of registration	Main activity	Currency	Interests % at 31.12.20 / (31.12.19)
Tschudi Logistics Holding AS	Norway, Lysaker	Holding	NOK	100 / (100)
Tschudi Logistics OY <sup>1</sup>	Finland, Turku	Logistics	EUR	100 / (100)
Tschudi Tank Transport OY <sup>1</sup>	Finland, Turku	Logistics	EUR	100 / (-)
Tschudi Logistics AS	Norway, Oslo	Forwarding	NOK	100 / (100)
Tschudi Logistics B.V.	Netherlands, Rotterdam	Logistics	EUR	100 / (100)
Tschudi Project Transport AS	Norway, Lysaker	Logistics	NOK	100 / (100)
Tschudi Logistics A/S	Denmark, Aarhus	Logistics	DKK	100 / (100)
Tschudi Logistics AB	Sweden, Göteborg	Logistics	SEK	100 / (100)
Tschudi Logistics OÜ	Estonia, Tallinn	Logistics	EUR	100 / (100)
Tschudi Logistics Sp. z o.o.	Poland, Szczecin	Logistics	PLN	100 / (100)
Tschudi Road Transport OÜ	Estonia, Tallinn	Road transport	EUR	100 / (100)
Tschudi Logistics OOO	Russia, St. Petersburg	Logistics	RUB	100 / (100)
Tschudi Ship Management AS	Estonia, Tallinn	Ship management	USD	100 / (100)
TSM Holland B.V.	Netherlands, IJmuiden	Crew management	EUR	100 / (100)
Tschudi Ship Management Ukraine Ltd	Ukraine, Odessa	Crew management	USD	100 / (100)
Tschudi Ship Management IOM Ltd	Isle of Man	Crew management	USD	100 / (100)
Tschudi Ship Management AS	Norway, Lysaker	Ship management	NOK	100 / (100)
Tschudi Arctic Transit AS	Norway, Lysaker	STS operations	NOK	100 / (100)
Tschudi Arctic Protection AS <sup>2</sup>	Norway, Lysaker	Safety in ports	NOK	76 / (100)
Tschudi Personnel Service OÜ	Estonia, Tallinn	Manning	EUR	100 / (100)
Tschudi Financial Services OÜ	Estonia, Tallinn	Group services	EUR	100 / (100)
Boreal Offshore AS <sup>3</sup>	Norway, Skjervøy	Manning	NOK	100 / (60)
Boreal Maritim AS <sup>4</sup>	Norway, Skjervøy	Maritime service	NOK	associate / (60)

<sup>1</sup> In 2020, Tschudi Logistics OY was demerged into two companies establishing a new fully owned subsidiary Tschudi Tank Transport OY – the demerge and establishment had no effect in the financial position or performance of the Group. In January 2021, the Group sold its ownership in Tschudi Tank Transport OY. The preliminary sale price was collected already in December 2020 and has been presented as a deferred gain under other current liabilities in the balance sheet as of 31 December 2020 (deducted by sale related expenses occurred in 2020; Note 13).

<sup>2</sup> In 2020, the Group sold 24% of ownership in Tschudi Arctic Protection AS for NOK 30,000. As the result of the transaction, NOK 56,000 of negative minority interests was recognized. The negative minority interests recorded in the Group's equity at the end of 2020 is fully related to Tschudi Arctic Protection AS.

<sup>3</sup> Negative minority interests recorded in the Group's equity at the end of 2019 was related to Boreal Offshore AS and its subsidiary Boreal Maritim AS. Boreal Offshore AS sold its ownership in Boreal Maritim AS partly to the Parent Company and partly to an external investor (see the next bullet below). Thereafter, the Group purchased remaining 40% in Boreal Offshore for NOK 300,000



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

and minority interest in the amount of NOK 7,763,000 was reclassified to retained earnings attributable to the shareholders of the Parent Company.

<sup>4</sup>As mentioned in the previous bullet, the controlling ownership in Boreal Maritim AS decreased to a significant ownership. As the result of the transaction the following assets and liabilities were deconsolidated or recorded:

	<u>NOK '000</u>
Cash and cash equivalents	(710)
Receivables from the Group => loan payable to an associate was recorded	(3,567)
Other current receivables and inventories	(1,482)
Property, plant and equipment (Note 7)	(36,898)
Borrowings (mostly financial lease liability)	28,247
Payables to the Group => receivables from an associate were recorded	823
Other payables	7,612
<b>Net assets derecognized</b>	<b>(5,975)</b>
Loss from the sale	(215)

\* NOK 3,350,000 of the sale price was the fair value of the significant ownership in Boreal Maritim kept by the Group (Note 2.2) and the remaining sale price was settled against the loan payable to Boreal Maritim AS.

In addition, the Group earned NOK 367,000 of gain from the sale of subsidiary occurred in 2016 (earn-out component that was assessed before as doubtful realized in 2020).

In 2019, the Group dissolved a dormant subsidiary - AS Eesti Merelaevanduse (ESCO) - and as a result of the deconsolidation of the subsidiary NOK 3,549,000 of loss was recorded (presented under other operating expenses – Note 4). The loss also included NOK 3,706,000 of currency translation loss reclassified from equity reserve to income statement. In 2019, a dormant subsidiary - Tschudi Logistics Ltd, UK - was liquidated and NOK 17,000 of currency translation loss was reclassified from equity reserve to income statement.

## 2.2 Associated companies

The Group has an ownership in the following associated companies:

	<u>2020</u>	<u>2019</u>
	NOK'000	NOK'000
Boreal Maritim AS (2020: 37%)	4,670	-
Arctic Bulk AG (2019: 35%)	-	116
Tschudi Mozambique (49%)	-	-
Others	-	-
<b>Total investments into shares</b>	<b>4,670</b>	<b>116</b>

There was a capital increase in Boreal Maritim AS with the Group's participation in the amount of NOK 1,394,000 and 2% ownership in Boreal Maritim AS were sold in 2020. Investment into shares of Arctic Bulk AG were also sold in 2020. The Group earned NOK 219,000 of gain and NOK 47,000 of loss from the sale transactions.



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

In 2020, equity method gain from associated companies was recorded in the amount of NOK 150,000 (mostly related to Boreal Maritim AS).

### NOTE 3 Revenue and other operating income

for the years ended 31 December

The Group's revenue has been generated from the following activities and in the following countries (based on the location of the Group's companies):

	2020	2019
	NOK'000	NOK'000
Logistics revenue	318,834	337,591
LNG STS operations and other arctic activities revenue	37,792	255,248
Ship management revenue	44,239	47,460
Sale of goods	15,752	1,194
Other services provided	9,355	29,208
Lease income	791	641
<b>Total revenue by businesses</b>	<b>426,763</b>	<b>671,342</b>

	2020	2019
	NOK'000	NOK'000
Norway	124,253	348,986
Finland	121,748	142,088
Denmark and Sweden	106,959	100,918
Estonia	72,749	79,288
Other European countries	1,054	62
<b>Total revenue by geographical areas</b>	<b>426,763</b>	<b>671,342</b>

The Group's other operating income consists of the following items:

	2020	2019
	NOK'000	NOK'000
Gain from property, plant and equipment	548	461
Gain from disposal of subsidiaries (Note 2.1)	367	-
<b>Total other operating income</b>	<b>915</b>	<b>461</b>



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

**NOTE 4 Operating expenses**

for the years ended 31 December

	<b>2020</b>	<b>2019</b>
	NOK'000	NOK'000
Services purchased (incl. logistics subcontractors)	(263,140)	(354,685)
Lease of assets (incl. charter of tugs)	(10,883)	(62,301)
Personnel expenses (Note 4.1)	(63,941)	(74,132)
Other expenses	(24,586)	(39,655)
<b>Total cost of sold goods and services</b>	<b>(362,550)</b>	<b>(530,773)</b>

	<b>2020</b>	<b>2019</b>
	NOK'000	NOK'000
Personnel expenses (Note 4.1)	(28,306)	(31,057)
Office related expenses	(11,037)	(12,378)
Advisory services and other similar fees	(3,921)	(7,102)
Other expenses	(4,407)	(7,420)
<b>Total administrative expenses</b>	<b>(47,671)</b>	<b>(57,957)</b>

In 2020, different audit-related services in the total amount of NOK 1,413,000, including NOK 1,354,000 for financial audit, were purchased from the external financial auditors of the Group's companies. In 2019, the respective fees amounted to NOK 1,315,000 and NOK 1,145,000.

In 2020, the Group had NOK 8,916,000 of operating lease expenses regarding tugs, NOK 6,244,000 regarding warehouse and office premises and NOK 1,240,000 regarding cars and vehicles (2019: NOK 59,522,000, NOK 6,811,000 and NOK 1,792,000, respectively). Operating lease agreements are valid up to 3 years and some of these are cancellable with 3-6 months notices.

There were no research and development expenses in 2020 and 2019.

	<b>2020</b>	<b>2019</b>
	NOK'000	NOK'000
Loss from derecognition of a subsidiary (Note 2.1)	(215)	(3,549)
Impairment loss of inventories	(250)	-
Impairment loss of trade accounts receivable	(453)	(38)
<b>Total other operating items</b>	<b>(918)</b>	<b>(3,587)</b>



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

## 4.1. Personnel expenses

The Group had 192 employees at the end of 2020, including 90 as crew for external vessels under crew management (2019: 154 employees, incl. 34 of crew members). Personnel expenses, which have been presented under different lines of income statement or capitalized as a cost of property, plant and equipment, consisted of the following components:

	2020	2019
	NOK'000	NOK'000
Wages and salaries	(77,900)	(88,877)
Social security taxes / National Insurance	(9,012)	(9,703)
Pensions – defined contribution plans	(2,998)	(3,309)
Pensions – defined benefit plans (Note 4.2)	(33)	(47)
Other personnel expenses (travel, provisioning onboard, training, etc.)	(2,304)	(3,658)
<b>Total personnel expenses, incl. expenses presented under ...</b>	<b>(92,247)</b>	<b>(105,594)</b>
... cost of sold goods and services	(63,941)	(74,132)
... administrative expenses	(28,306)	(31,057)
... capitalized as a cost of property, plant and equipment	-	(405)

### Remuneration paid to the key management members:

Remuneration to the key management members of the Group, including Managing Director and the Board Members of the Parent Company and managing directors of the most significant subsidiaries, amounted to NOK 4,753,000 in 2020 and NOK 4,751,000 in 2019.

Key management members are included in the Group's pension plans. One of the key management personnel has in his employment agreements post-employment benefit rights, which entitles him under certain conditions to receive salaries for a period from 9 to 21 months after the end of his employment period.

## 4.2 Defined benefit pension plans

At the end of 2020, the Group had an unsecured pension plan for a former employee. The following tables summarize the components of net benefit expense recognized in both the income statement (under administrative expenses) and directly in equity:

	2020	2019
	NOK'000	NOK'000
Expense under unfunded benefit pension plan	(33)	(47)
<b>Total expense from benefit pension plans (Note 4.1)</b>	<b>(33)</b>	<b>(47)</b>
Actuarial changes arising from changes in financial assumptions	(8)	(6)
Experience adjustments	(262)	(257)
<b>Net loss recognized directly in equity (Note 11)</b>	<b>(270)</b>	<b>(263)</b>



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

As of 31 December, the Group had pension plan liabilities in the following amount:

	2020	2019
	NOK'000	NOK'000
Present value of unfunded obligations	939	1,273
Present value of social tax component	133	179
<b>Total unfunded pension liability</b>	<b>1,072</b>	<b>1,452</b>

At the end of 2020, the following principal assumptions were used in determining unfunded pension liability: 1.7% of discount rate for the plan of a Norwegian retired person and 0% of future pension increase (2019: 2.3% and 0%).

**NOTE 5 Financial income and expenses**

for the years ended 31 December

	2020	2019
	NOK'000	NOK'000
Interest income from sister companies	1,073	1,244
Interest income from bank accounts and other parties	58	84
Dividend income	-	30
Gain from sales of shares (Note 2.2)	219	1
<b>Total financial income</b>	<b>1,350</b>	<b>1,359</b>
Interest expenses (mostly to financial institutions)	(1,322)	(2,945)
Loss from sales of shares (Note 2.2)	(47)	-
Impairment losses of investments into shares and long-term loans	-	(416)
<b>Total financial expenses</b>	<b>(1,369)</b>	<b>(3,361)</b>

**NOTE 6 Income tax**

The major components of income tax income / (expense) for the years ended 31 December were:

	2020	2019
	NOK'000	NOK'000
Current income tax	(1,484)	(1,265)
Income tax relating to origination and reversal of temporary differences	(1,244)	88
<b>Income tax expense reported in the consolidated income statement</b>	<b>(2,728)</b>	<b>(1,177)</b>
(Gain) / loss on defined benefit plans	59	58
<b>Income tax directly charged to consolidated equity (Note 11)</b>	<b>59</b>	<b>58</b>



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

Reconciliation between tax expense and the product of accounting profit multiplied by Norway's domestic tax rate for the years ended 31 December was as follows:

	2020	2019
	NOK'000	NOK'000
<b>Accounting profit / (loss) before income tax</b>	<b>12,316</b>	<b>(2,418)</b>
At Norway's statutory income tax rate of 22%	(2,709)	532
Effect of different tax rates in other countries than Norway	51	79
Changes in unrecorded tax losses	(270)	(267)
Income, gains and losses not subject for corporate income tax <sup>1</sup>	466	(1,281)
Non-deductible expenses	(266)	(240)
<b>At the effective income tax rate of 22% (2019: (49)%)</b>	<b>(2,728)</b>	<b>(1,177)</b>

<sup>1</sup> mostly related to net profit / (loss) of subsidiaries, where profit is not taxable (see also Note 1.5) and gain/loss from the shares (sale, derecognition, dividends etc).

Deferred income tax asset / (liability) as of 31 December related to the following:

	2020	2019
	NOK'000	NOK'000
Losses carried forward	17,654	18,047
Receivables	947	2,135
Property, plant and equipment and intangible assets	55	537
Others	317	6,227
<b>Total deferred tax asset</b>	<b>18,973</b>	<b>26,946</b>
Property, plant and equipment and intangible assets	(152)	(7,324)
Gains carried forward	(1,139)	(1,423)
<b>Total deferred tax liability</b>	<b>(1,291)</b>	<b>(8,747)</b>
<b>Impairment of deferred tax asset<sup>1</sup></b>	<b>(17,195)</b>	<b>(16,682)</b>
<b>Net deferred tax asset / (liability)</b>	<b>487</b>	<b>1,517</b>
- presented as deferred tax asset	945	1,994
- presented as deferred tax liability	(458)	(477)

<sup>1</sup> Impairment of deferred tax asset is mostly related to tax losses carried forward of companies of the Group, where there is a doubt when and to which extent these can be utilized against future taxable profit. The Group has tax losses carried forward at NOK 83,234,000 (2019: NOK 83,666,000). These losses are available indefinitely (except for NOK 11,318,000 of tax losses, which can be used up to 2028; 2019: NOK 8,490,000) for offset against future taxable profits of the companies in which the losses arose or, if possible, through group contributions.



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

**NOTE 7 Property, plant and equipment**  
for the years ended 31 December

	Workboats	Real estate	Machinery & equipment	Other assets	CIP and prepayments	Total
	NOK'000	NOK'000	NOK '000	NOK'000	NOK'000	NOK'000
<b>COST</b>						
<b>as of 31 December 2019</b>	<b>43,087</b>	<b>3,028</b>	<b>14,820</b>	<b>5,948</b>	<b>405</b>	<b>67,288</b>
Purchases and improvements	-	294	1,206	197	-	1,697
Re-classifications	-	-	60	-	-	60
Disposals (write offs and sales)	-	-	(1,882)	(704)	-	(2,586)
Disposal of subsidiary (Note 2.1)	(43,087)	-	(94)	-	-	(43,181)
Exchange differences	-	-	730	112	-	842
<b>as of 31 December 2020</b>	<b>-</b>	<b>3,322</b>	<b>14,840</b>	<b>5,553</b>	<b>405</b>	<b>24,120</b>
<b>ACCUMULATED DEPRECIATION</b>						
<b>as of 31 December 2019</b>	<b>(5,992)</b>	<b>(1,044)</b>	<b>(6,353)</b>	<b>(4,744)</b>	<b>-</b>	<b>(18,133)</b>
Depreciation charge for 2020	(271)	(218)	(1,981)	(242)	-	(2,712)
Disposals (write offs and sales)	-	-	1,459	704	-	2,163
Disposal of subsidiary (Note 2.1)	6,263	-	20	-	-	6,283
Exchange differences	-	-	(187)	(105)	-	(292)
<b>as of 31 December 2020</b>	<b>-</b>	<b>(1,262)</b>	<b>(7,042)</b>	<b>(4,387)</b>	<b>-</b>	<b>(12,691)</b>
<b>BOOK VALUE</b>						
<b>as of 31 December 2019</b>	<b>37,095</b>	<b>1,984</b>	<b>8,467</b>	<b>1,204</b>	<b>405</b>	<b>49,155</b>
<b>as of 31 December 2020</b>	<b>-</b>	<b>2,060</b>	<b>7,798</b>	<b>1,166</b>	<b>405</b>	<b>11,429</b>

Depreciation and amortization charge in income statement also includes NOK 208,000 of amortization of intangible assets in 2020.

**NOTE 8 Inventories**

as of 31 December

	2020	2019
	NOK'000	NOK'000
Bunker for tugs, workboats and trucks	105	203
Finished goods	-	468
Others (incl. spare parts for workboats)	82	900
Prepayments for inventories	-	18
<b>Total inventories</b>	<b>187</b>	<b>1,589</b>



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

## NOTE 9 Receivables

as of 31 December

	2020	2019
	NOK'000	NOK'000
Loan receivable from a sister company	3,306	7,652
Receivable for the sale of shares of subsidiaries	15,038	14,726
<b>Total long-term receivables from group companies</b>	<b>18,344</b>	<b>22,378</b>

Loan receivable from a sister company was partly collected in 2020. Receivable for shares arose in 2017 from the sale of shares of Tschudi Kirkenes AS (together with receivables from /payables to the company and its subsidiaries). The balance of receivable for shares has increased as a result of accumulated interests and the currency translation effect. Both loan and receivable for shares were denominated in USD, but converted to NOK at the end of 2020, and are finally due in January 2023.

Loans receivable from associated companies	2,110	88
Long-term deposits	1,408	1,332
Other non-current receivables	99	234
<b>Total other long-term receivables</b>	<b>3,617</b>	<b>1,654</b>
Trade accounts receivable from external parties	50,056	54,512
Trade accounts receivable from the parent and sister companies	2,035	2,021
Trade accounts receivable from other related parties	661	123
Allowance for impairment of trade accounts receivable	(1,458)	(2,244)
<b>Total trade accounts receivable</b>	<b>51,294</b>	<b>54,412</b>
Loans receivable	176	8
Accrued income	714	1,462
VAT refundable	500	820
Others	312	836
<b>Total other short-term receivables</b>	<b>1,702</b>	<b>3,126</b>

## NOTE 10 Cash and cash equivalents

as of 31 December

	2020	2019
	NOK'000	NOK'000
Cash in hand	13	15
Restricted cash	769	767
Demand and overnight deposits in banks	24,268	11,732
<b>Total cash and cash equivalents</b>	<b>25,050</b>	<b>12,514</b>

As of 31 December 2020, NOK 766,000 of the restricted cash could be used only for employee tax obligations and was deposited in separate bank accounts (2019: NOK 765,000).



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

## NOTE 11 Equity

for the years ended 31 December

As of 31 December 2020, the issued capital in the amount of NOK 15,460,000 consisted of 10,000 ordinary shares with NOK 1,546 of nominal value per share. There were no changes in the number of shares or the amount of issued capital in 2019 and 2020. All shares are ultimately owned by Felix Henry Tschudi and his children and are fully paid in. Glarona AS, which is owned by Felix Henry Tschudi and his children, has controlling ownership (51%) and Felix Henry Tschudi also owns directly 49% in Tschudi Shipping Company AS.

	Equity attributable to shareholders of the Parent				Minority interests (Note 2.1)	Total equity
	Issued capital	Reserves	Accumula- ted losses	Total		
	NOK'000	NOK'000	NOK'000	NOK'000		
<b>Balance as of 31.12.2018</b>	<b>15,460</b>	<b>2,181</b>	<b>(119,552)</b>	<b>(101,911)</b>	<b>(6,028)</b>	<b>(107,939)</b>
Net loss for the year	-	-	(2,595)	(2,595)	(1,000)	(3,595)
Remeasurement loss (Note 4.2)	-	-	(263)	(263)	-	(263)
Income tax expense (Note 6)	-	-	58	58	-	58
Total pension expense	-	-	(205)	(205)	-	(205)
Change in currency reserve	-	3,728	-	3,728	-	3,728
<b>Balance as of 31.12.2019</b>	<b>15,460</b>	<b>5,909</b>	<b>(122,352)</b>	<b>(100,983)</b>	<b>(7,028)</b>	<b>(108,011)</b>
Net profit for the year	-	-	10,323	10,323	(735)	9,588
Remeasurement loss (Note 4.2)	-	-	(270)	(270)	-	(270)
Income tax expense (Note 6)	-	-	59	59	-	59
Total pension expense	-	-	(211)	(211)	-	(211)
Change in currency reserve	-	391	-	391	-	391
Sale of minority interests (Note 2.1)	-	-	86	86	(56)	30
Purchase of minority interests (Note 2.1)	-	-	(8,063)	(8,063)	7,763	(300)
<b>Balance as of 31.12.2020</b>	<b>15,460</b>	<b>6,300</b>	<b>(120,217)</b>	<b>(98,457)</b>	<b>(56)</b>	<b>(98,513)</b>

Shareholders' contribution, consisting of equity attributable to the Parent's shareholders and the loan from a shareholder, amounted to NOK 44,243,000 as of 31 December 2020 (2019: NOK 41,717,000).



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

Equity reserves consist of currency translation reserve, which changed as a result of the following items:

	2020	2019
	NOK'000	NOK'000
Exchange difference on translation of foreign operations	391	5
Reclassification of currency translation differences to profit and loss regarding deconsolidation of subsidiaries (Notes 2.1)	-	3,706
Reclassification of currency translation differences to profit and loss (under currency gain/(loss)) regarding liquidation of subsidiaries	-	17
<b>Total change in currency translation reserve</b>	<b>391</b>	<b>3,728</b>

## NOTE 12 Borrowings

as of 31 December

	2020	2019
	NOK'000	NOK'000
Subordinated shareholders' loan	142,700	142,700
Other loan payables to a shareholder	2,250	1,500
Loans payable to financial institutions	1,233	1,520
Drawn balance of overdraft and factoring <sup>1</sup>	2,615	2,577
Financial lease liability	6,621	35,231
<b>Total borrowings of continuing operations</b>	<b>155,419</b>	<b>183,528</b>
incl. due in next year	5,669	9,320
incl. due after one year but before five years	149,750	160,591
incl. due after five years	-	13,617

<sup>1</sup> At the end of 2020, the Group had undrawn factoring and overdraft facilities in the amount of NOK 9,188,000.

At the end of 2020, the Group and its subsidiaries were in compliance with covenants of various loan and lease agreements.

As of 31 December 2020, the following assets were pledged to secure loan liabilities: real-estate items with the book value of NOK 2,060,000 (2019: NOK 1,984,000), receivables in the amount of NOK 9,585,000 (2019: NOK 5,669,000) and inventories with the book value of NOK 25,000 (2019: NOK 844,000).



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

**Finance leases**  
as of 31 December

	2020	2019
	NOK'000	NOK'000
<b>Future minimum lease payments for the following periods:</b>		
No later than 1 year	1,941	7,068
Later than 1 year and no later than 5 years	4,940	21,470
Later than 5 years	-	15,771
	<b>6,881</b>	<b>44,309</b>
<b>Future finance charges on finance leases</b>	<b>(260)</b>	<b>(9,078)</b>
<b>Present value of future minimum lease payments:</b>	<b>6,621</b>	<b>35,231</b>
No later than 1 year	1,918	6,914
Later than 1 year and no later than 5 years	4,703	18,330
Later than 5 years	-	9,987

The Group has purchase options or obligations on assets under finance lease terms. Lease liabilities are effectively secured as the rights to the asset revert to the lessor in the event of default.

As of 31 December 2020, the book value of assets under finance lease terms are the following (recognized under property, plant and equipment (Note 7):

- real estate (barracks) in the amount of NOK 285,000 (2019: zero)
- other machinery and equipment (truck, trailers and cars) in the amount of NOK 7,074,000 (2019: NOK 7,512,000).
- workboats (incl. under construction in progress) in the amount of zero (2019: NOK 37,096,000)

Annual depreciation of leased assets amounted to NOK 2,133,000 in 2020 (2019: NOK 3,425,000).

**NOTE 13 Trade accounts and other payables**

As of 31 December

	2020	2019
	NOK'000	NOK'000
Trade accounts payable to external suppliers	18,728	32,907
Trade accounts payable to group companies	2,544	2,312
Trade accounts payable to other related parties	290	260
<b>Total trade accounts payable</b>	<b>21,562</b>	<b>35,479</b>
Payable to employees	9,489	9,262
Other accrued expenses	7,503	16,478
Other payables	201	967
Prepayments from customers / deferred gains	15,093	985
<b>Total other current payables and customers' prepayments</b>	<b>32,286</b>	<b>27,692</b>

The significantly higher prepayment from customers at the end of 2020 was mostly related to the preliminary sale price for shares of Tschudi Tank Transport OY (see Note 2.1).



## NOTE 14 Off-balance sheet items

### 14.1 Income tax on dividends of Estonian subsidiaries

As of 31 December 2020, the distributable retained earnings of the Group's subsidiaries registered in Estonia were NOK 7,216,000 (2019: NOK 6,898,000) – determined based on the Estonian generally accepted accounting principles. The maximum possible income tax liability as of 31 December 2020, which would become payable if retained earnings were fully distributed, is NOK 1,804,000 (2019: NOK 1,725,000). The assumption, that distributable dividends and related income tax together cannot exceed the amount of retained earnings as of 31 December, was used for the calculation of the maximum income tax liability. Further information on the Estonian income tax regulation has been disclosed in Note 1.5.

### 14.2 Other off-balance sheet items

As of 31 December 2020, the Group has several bank accounts with the total balance of NOK 1,895,000 (2019: NOK 2,427,000), which are recorded as off-balance sheet items, as these are cash of the Group's customers and used only for rendering ship-management services to vessels (running cost which are the ship-owners' expenses and are not recorded in the Group's books, but paid directly from these bank accounts).

## NOTE 15 Transactions with related parties

In 2020 and 2019, the Group had transactions with the following related parties:

- Felix H. Tschudi – the ultimate owner of the Parent Company – and his family members;
- Glarona AS – the parent company;
- Titlis AS and its subsidiaries – sister companies;
- associated companies;
- companies controlled by ultimate owner.

The following transactions were carried out with the related parties:

	2020	2019
	NOK'000	NOK'000
<u>Revenue from related parties:</u>		
Management, financial and IT income from Glarona AS and the Titlis group	4,807	5,428
Financial services income from associated companies and companies controlled by the ultimate owner	459	106
Lease income from the Titlis group and associated companies	514	119
Other income from the Titlis group and associated companies	692	6
Reimbursed expenses (mostly travel expenses)	219	290
<u>Purchases from / payments to related parties:</u>		
Office lease and running expenses from the Titlis group	(2,693)	(1,745)
Property lease from a member of the Tschudi family	(257)	(236)
Advisory service from an associated company	(253)	(862)
Manning service for LNG STS operations from the Titlis Group	-	(3,260)
IT service from Glarona AS	(484)	(1,226)



ANNUAL REPORT 2020  
CONSOLIDATED FINANCIAL STATEMENTS

TSCHUDI SHIPPING COMPANY AS

	2020	2019
	NOK'000	NOK'000
Logistics services purchased from an associated company and Titlis group	(252)	-
Goods purchased for resale from an associated company	(483)	-
Pension payment to a member of the Tschudi family (unfunded benefit plan)	(600)	(600)
<u>Financing activities:</u>		
Loan repayments from Glarona AS and the Titlis group	4,558	2,272
Loans granted to associated companies	(2,209)	-
Loans received from the ultimate owner	1,000	1,500
Repayment to the ultimate owner	(250)	(27)
Interest income from the Titlis group and associated companies	1,073	1,231
Interest expense payable to the ultimate owner	-	(3)

## Note 16 Subsequent events

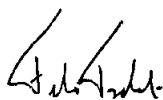
In January 2021, the Group sold its ownership in Tschudi Tank Transport OY. The Group has recognized a gain of NOK 7,754,000 from the transaction, including NOK (2,846,000) of currency loss transferred from equity reserve to income statement. Part of the sale price (earn-out price component) depends on gross profit of the sold company payable during next two years. The gain recognized from the sale in 2021 is based on the discounted value of the current estimation on earn-out price component and is open for future adjustments based on actual gross profit.

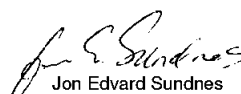
A new shutdown of society at the end of January 2021 due to the corona pandemic has not had an impact on the annual accounts 2020. The assumption of continued operation is present, and the annual accounts for 2020 have been prepared under this assumption.

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## Approval of the consolidated financial statements

Lysaker, 29 June 2021

  
Felix Henry Tschudi  
Chairman of the Board

  
Jon Edvard Sundnes  
Member of the Board



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

## SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

### INCOME STATEMENT

for the year ended 31 December

	Note	2020	2019
		NOK'000	NOK'000
Revenue	2	8,000	11,837
<b>Total operating income</b>		<b>8,000</b>	<b>11,837</b>
Personnel expenses	3	(8,774)	(10,895)
Depreciation and amortization	6	(63)	(54)
Other operating expenses	4	(8,686)	(11,048)
<b>Total operating expenses</b>		<b>(17,523)</b>	<b>(21,997)</b>
<b>OPERATING PROFIT / (LOSS)</b>		<b>(9,523)</b>	<b>(10,160)</b>
Financial income from subsidiaries and associates	7	13,387	16,095
Impairment loss of financial assets	7	(7,112)	(1,477)
Interest income	5	1,085	1,458
Interest expenses and similar charges	5	(828)	(1,226)
Net foreign currency exchange gain		(667)	247
<b>Total financial items</b>		<b>5,865</b>	<b>15,097</b>
<b>PROFIT / (LOSS) BEFORE INCOME TAX EXPENSE</b>		<b>(3,658)</b>	<b>4,937</b>
Income tax expense	8	(59)	(58)
<b>NET PROFIT / (LOSS) FOR THE YEAR</b>		<b>(3,717)</b>	<b>4,879</b>
Allocated to / (covered by):			
- other equity	12	(3,717)	4,879



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

## BALANCE SHEET

as of 31 December

Note	2020	2019
	NOK'000	NOK'000
<b>NON-CURRENT ASSETS</b>		
Software and trademarks	64	87
Fixtures and fittings, office machinery	678	718
<b>Total tangible and intangible assets</b>	<b>742</b>	<b>805</b>
Investments into subsidiaries and associates	30,078	29,232
Long-term loans receivable from group companies	18,344	25,729
Other long-term receivable	3,211	1,182
<b>Total financial assets</b>	<b>51,633</b>	<b>56,143</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>52,375</b>	<b>56,948</b>
<b>CURRENT ASSETS</b>		
Short-term receivables from group companies	14,977	19,210
Trade accounts receivable from external parties	129	89
Other receivables	4	-
Prepaid expenses	166	109
<b>Total receivables and prepaid expenses</b>	<b>15,276</b>	<b>19,408</b>
Cash and bank accounts	397	448
<b>Total cash and cash equivalents</b>	<b>397</b>	<b>448</b>
<b>TOTAL CURRENT ASSETS</b>	<b>15,673</b>	<b>19,856</b>
<b>TOTAL ASSETS</b>	<b>68,048</b>	<b>76,804</b>



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

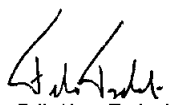
## Balance sheet (cont.)

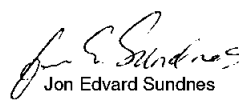
as of 31 December

	Note	2020	2019
<b>EQUITY</b>		NOK'000	NOK'000
Share capital		15,460	15,460
<b>Total paid-in capital</b>		<b>15,460</b>	<b>15,460</b>
Other equity		(121,997)	(118,068)
<b>Total other equity</b>		<b>(121,997)</b>	<b>(118,068)</b>
<b>TOTAL EQUITY</b>	12	<b>(106,537)</b>	<b>(102,608)</b>
<b>LIABILITIES</b>			
Pension liability	3	1,072	1,452
<b>Total non-current provisions</b>		<b>1,072</b>	<b>1,452</b>
Subordinated loan payable to a shareholder	14	142,700	142,700
Other long-term loan payable to a shareholder	14	2,250	1,500
Long-term loan payables to group companies	13	21,952	24,723
<b>Total long-term payables</b>		<b>166,902</b>	<b>168,923</b>
Short-term payables to group companies	13	4,484	5,904
Trade accounts payable to external parties		521	728
Public duties payables		668	870
Other short-term payables		938	1,535
<b>Total short-term payables</b>		<b>6,611</b>	<b>9,037</b>
<b>TOTAL LIABILITIES</b>		<b>174,585</b>	<b>179,412</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>68,048</b>	<b>76,804</b>

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Lysaker, 29 June 2021

  
Felix Henry Tschudi  
Chairman of the Board

  
Jon Edvard Sundnes  
Member of the Board



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

## CASH FLOW STATEMENT

for the year ended 31 December

Note	2020	2019
	NOK'000	NOK'000
<b>Cash flows related to operating activities</b>		
Operating profit / (loss)	(9,523)	(10,160)
Non-monetary adjustments of operating profit / (loss)		
- depreciation and amortization	63	54
- net loss from foreign exchange differences	(53)	(18)
Change in receivables related to operating activities	430	(497)
Change in payables related to operating activities	(763)	972
<b>Net cash flow used in operating activities</b>	<b>(9,846)</b>	<b>(9,649)</b>
<b>Cash flows related to investing activities</b>		
Proceeds from sale of shares	397	-
Acquisition of tangible and intangible assets	-	(96)
Collected loan receivable and deposit redeemed	4,813	1,988
New loans granted	(5,212)	(1,293)
Other investments	(1,473)	(270)
Interests received	80	21
<b>Net cash flow from / (used in) investing activities</b>	<b>(1,395)</b>	<b>350</b>
<b>Cash flows related to financing activities</b>		
Repayments of borrowings	(481)	(4,367)
Proceeds from new borrowings	11,724	13,280
Interests paid	(55)	(295)
<b>Net cash flow from financing activities</b>	<b>11,188</b>	<b>8,618</b>
<b>Total cash flow</b>	<b>(53)</b>	<b>(681)</b>
Net foreign exchange differences regarding cash	2	(120)
Cash and cash equivalents at the beginning of the year	448	1,249
<b>Cash and cash equivalents at the end of the year</b>	<b>397</b>	<b>448</b>



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

## NOTES TO THE SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

### Note 1 General information and accounting policies

#### Basis of preparation

The separate financial statements of Tschudi Shipping Company AS (the Parent Company) have been prepared in accordance with Accounting Law and Norwegian Generally Accepted Accounting Principles under going concern assumption. The separate financial statements are presented in Norwegian kroner and all values are rounded to the nearest thousand (NOK'000), except when otherwise indicated. According to the permission received from the Directorate of Taxes, the current financial statements have been prepared in English only.

#### Investments into subsidiaries and associates

Investments into subsidiaries and associates are accounted for by applying the cost method. According to the cost method, the investment is initially recognized at acquisition cost, consisting of the fair value of the paid amount and transaction expenses. Subsequently, the investment is adjusted by impairment losses, if any. Subsidiaries and associated companies with a negative equity are valued at nil and receivables from these subsidiaries and associated companies are written down by negative amount of equity. If the Parent Company fully or partly guarantees liabilities of the subsidiaries concerned and the negative amount of equity exceeds the amount of receivables from the subsidiary, the variance is recognized under provisions, in the amount of the share in the losses incurred by the subsidiary, or for the amount of payments the Parent Company is expected to make on behalf of the subsidiary. Impairment losses from shares, receivables as well as recognition of provision, if any, are charged to financial expenses for the period (under "impairment loss of financial assets").

Dividends and other distributions are recognized as income in the same year as these have been proposed by the subsidiaries. In cases where dividends exceeds retained earnings, subsequent to acquisition, this part will be treated as repayment of the invested amount, and the exceeding dividend will be deducted from the acquisition value in the balance sheet.

#### Foreign currency transactions

Transactions in foreign currencies are initially recorded using exchange rates effective at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to NOK at the rate of exchange at the balance sheet date. Non-monetary items that are measured in the terms of historical costs in a foreign currency are translated using the exchange rate at the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. All currency differences are taken into profit or loss.

#### Revenue

Management fee income and revenue from the sale of other services are recognized in the period the services are provided. Rental income arising from operating leases (incl. sub-leases) is accounted for on a straight line basis over the lease terms.

#### Tangible and intangible assets

Tangible and intangible assets are carried at their cost less any accumulated depreciation, amortization and impairment losses. Depreciation and amortization is calculated on a straight-line basis over the useful life of the assets.



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

## **Pension plans**

The Parent Company has an unfunded defined benefit pension plan. Re-measurements, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to other equity in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in income statement on the earlier of the date of the plan amendment or curtailment, and the date that the Parent Company recognizes restructuring-related costs. Net interest is calculated by applying the discount rate to the net defined benefit liability. The Parent Company recognizes service costs comprising current service costs, past-service costs as well as net interest expense or income in the net defined benefit obligation under "personnel expenses" in income statement:

In addition, the Parent Company also has a defined contribution pension plan. For this plan, the Parent Company pays contributions to a privately administered pension insurance plan and does not have any further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

## **Income tax**

Corporate income tax of the Parent Company consists of current income tax and deferred income tax. The Parent Company's net profit adjusted by temporary and permanent differences as determined in the income tax act is subject to current income tax. Deferred tax is determined on the basis of existing temporary differences between accounting net income and tax net income, including year-end loss carry-forwards, calculated at 22% at the end of 2019 and 2020. Deferred income tax asset is recognized to the extent that it is probable that unused tax credits and unused tax losses can be utilized against future taxable profit.

## **Cash flow statement**

The cash flow statement of the Parent Company has been prepared using the indirect method. Cash and cash equivalents consist of cash in hand, demand and time deposits.

## **Classification of receivables and payables**

Current assets and liabilities are comprised of items receivable / due within one year, except for loans receivable and payable from / to other group companies, if the original maturity is longer than 12 months.



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

## Note 2 Revenue

The Parent Company's revenue has been generated from the following activities and in the following countries (based on the location of customers):

	2020	2019
	NOK'000	NOK'000
Management fee	7,317	10,939
Rental income	683	898
<b>Total revenue</b>	<b>8,000</b>	<b>11,837</b>
Norway	7,847	11,555
Estonia	138	271
Others - mostly EU countries not listed above	15	11
<b>Total revenue</b>	<b>8,000</b>	<b>11,837</b>

In 2020, the Parent Company's revenue included revenue from subsidiaries in the amount of NOK 3,821,000 and from other related parties (sister company and its subsidiaries as well as an associated company) in the amount of NOK 3,954,000 (2019: NOK 6,605,000 and NOK 4,710,000).

The decrease in management fee in 2020 compared to 2019 was mostly related to lower management support to a subsidiary regarding LNG STS operations in 2020.

## Note 3 Personnel expenses

The Parent Company had 6 employees at the end of 2020 (2019: 7 employees).

	2020	2019
	NOK'000	NOK'000
Salary	(6,611)	(8,269)
Employer's payroll tax	(1,017)	(1,325)
Pension expenses	(798)	(945)
Other payments	(348)	(356)
<b>Total personnel expenses</b>	<b>(8,774)</b>	<b>(10,895)</b>

### Remunerations paid to the Managing Director and the Board of the Parent Company:

Remuneration to the Managing Director (also acting as a Board member) and the Chairman of the Board of the Parent Company amounted in total to NOK 2,934,000 of salary and NOK 38,000 of other remunerations in 2020 (2019: NOK 2,890,000 of salary and NOK 22,000 of other remunerations). Both the Managing Director and the Chairman of the Board are included in the Parent Company's contribution pension plan.



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

The Managing Director has in his employment agreement post employment benefit rights, which entitles him under certain conditions to receive salaries for 21 months after the end of his employment period. The Managing Director and members of the Board have not received loans from the Parent Company in 2020 and 2019.

#### Pension plans

The Parent Company has a contribution pension plan administrated by an insurance company. The pension agreement meets the requirements defined by the Law about Mandatory Occupational Pensions ("*Lov om obligatorisk tjenestepensjon*"), see the Norwegian Accounting Act § 7-30a.

In addition to the plan described above, the Parent Company also has an unfunded pension plan for one former employee.

The Parent Company had the following pension related expenses in the reporting and comparative year:

	2020	2019
	NOK'000	NOK'000
Expense under unfunded benefit pension plan	(33)	(47)
Expense under contribution pension plan	(765)	(898)
<b>Net pension expense</b>	<b>(798)</b>	<b>(945)</b>
Remeasurement gain / (loss)	(271)	(264)
<b>Net gain / (loss) directly recognized in other equity (Note 12)</b>	<b>(271)</b>	<b>(264)</b>

Information on the unfunded pension plan liability has been presented in Note 4.2 of the Consolidated Financial Statements.

#### **Note 4 Other operating expenses**

	2020	2019
	NOK'000	NOK'000
Advisory services and other similar fees	(3,268)	(3,651)
Office related expenses	(4,354)	(5,429)
Travel expenses	(88)	(307)
Write down of trade accounts receivable (Note 7)	(262)	(480)
Other expenses	(714)	(1,181)
<b>Total other operating expenses</b>	<b>(8,686)</b>	<b>(11,048)</b>

In 2020, advisory services and other similar fees included NOK 738,000 of remunerations to auditors (excluding VAT) consisting of fee for statutory audit and 5,000 NOK of other services (2019: NOK 703,000 of audit fee).



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

## Note 5 Interest income and expenses

	2020	2019
	NOK'000	NOK'000
Interest income from subsidiaries	5	198
Interest income from a sister company	1,073	1,244
Interest income from bank accounts	7	16
<b>Total interest income</b>	<b>1,085</b>	<b>1,458</b>
Interest expenses paid / payable to subsidiaries	(742)	(932)
Interest expenses from bank accounts	(25)	(249)
Transaction fees paid to banks	(61)	(45)
<b>Total interest expenses</b>	<b>(828)</b>	<b>(1,226)</b>

## Note 6 Tangible and intangible assets

	Tangible assets – office furniture and equipment	Intangible assets – software and trademarks	Total tangible and intangible assets
	NOK'000	NOK'000	NOK'000
Cost as of 01.01.2020	2,855	127	2,982
<b>Cost as of 31.12.2020</b>	<b>2,855</b>	<b>127</b>	<b>2,982</b>
Accumulated depreciation and amortization as of 01.01.2020	(2,137)	(40)	(2,177)
Depreciation and amortization charge	(40)	(23)	(63)
<b>Accumulated depreciation and amortization as of 31.12.2020</b>	<b>(2,177)</b>	<b>(63)</b>	<b>(2,240)</b>
<b>Book value as of 31.12.2020</b>	<b>678</b>	<b>64</b>	<b>742</b>

There was neither impairment loss nor reversal of impairment loss booked regarding the Parent Company's tangible and intangible assets in 2020 and 2019. The following useful lives have been used for depreciation and amortization:

- office furniture and equipment - 3-5 years;
- software and trademarks - 3-7 years.



**Note 7 Investments into subsidiaries and associates**

	Owner-ship*	Equity 31.12.2020 (100%)	Net result for 2020 (100%)	Book value as of 31.12.2019	Additions in 2020	Sold in 2020	Allowance for shares in 2020	Book value as of 31.12.2020
		NOK'000	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000	NOK'000
<b>Subsidiaries</b>								
Tschudi Financial Services OÜ (Tallinn, EST)	100%	2,749	306	2,371	-	-	300	2,671
Tschudi Arctic Transit AS (Lysaker)	100%	3,571	8,300	2,937	-	-	-	2,937
Tschudi Arctic Protection AS (Lysaker)	76%	(232)	(262)	30	-	(7)	(23)	-
Tschudi Logistics Holding AS (Lysaker)	100%	22,992	10,500	16,510	-	-	-	16,510
Holland Offshore Holding B.V (Ijmuiden, NL)	100%	(988)	(366)	-	-	-	-	-
Tschudi Ship Management AS (Tallinn, EST)	100%	4,701	(211)	7,384	-	-	(3,900)	3,484
Tschudi Ship Management IOM Ltd (IOM)	100%	1,316	186	-	-	-	-	-
Tschudi Ship Management AS (Lysaker)	100%	(42)	(25)	-	-	-	-	-
Boreal Offshore AS (Skjervøy)	100%	(20,153)	(2,496)	-	300	-	(300)	-
<b>Total subsidiaries</b>				<b>29,232</b>	<b>300</b>	<b>(7)</b>	<b>(3,923)</b>	<b>25,602</b>
			<i>including cost</i>	76,051				76,344
			<i>accumulated impairment losses</i>	(46,819)				(50,742)
<b>Associates</b>								
Boreal Maritim AS (Skjervøy)	37%	5,700	(2,327)	-	4,744	(268)	-	4,476
Tschudi Bio Company AS (Lysaker)	24%	-	-	-	-	-	-	-
Tschudi Mozambique Ltd (Maputo, MOZ)	49%	(256)	(157)	-	-	-	-	-
<b>Total associates</b>				<b>-</b>	<b>4,744</b>	<b>(268)</b>	<b>-</b>	<b>4,476</b>
<b>Total subsidiaries and associates</b>				<b>29,232</b>	<b>5,044</b>	<b>(275)</b>	<b>(3,923)</b>	<b>30,078</b>

\* voting rights and ownership as of 31 December 2020 were same regarding all subsidiaries and associates

In 2020, the Parent Company acquired minority interests in Boreal Offshore AS for NOK 300,000 owning now 100% in the subsidiary. At the same time the Parent purchased 50% of ownership in Boreal Maritim AS from Boreal Offshore AS for NOK 3,350,000 (with settlement against loan receivable from Boreal Offshore AS), participated in the capital increase of Boreal Maritim AS in the amount of NOK 1,394,000 and sold 2% of ownership after which the Parent Company owns 37% in Boreal Maritim AS. In 2020, the Parent Company also sold 24% of ownership in Tschudi Arctic Protection AS.



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

In 2020, income from subsidiaries and associates consisted of group contribution from Tschudi Logistics Holding AS and Tschudi Arctic Transit AS in the total amount of NOK 13,045,000 and NOK 342,000 of net gain from sales of ownership in Tschudi Arctic Protection AS and Boreal Maritim AS (2019: NOK 16,095,000 of group contribution).

Due to negative equity as of 31 December 2020 and / or negative result for 2020 of Holland Offshore Holding Group, Boreal Offshore AS, Tschudi Arctic Protection AS, and Tschudi Ship Management AS (EST), the Parent Company recognized additional impairment loss in the total amount of NOK 7,665,000 in 2020, incl. NOK 253,000 for receivables under operating expenses (Note 4) and NOK 3,189,000 for receivables under financial items. At the same time NOK 300,000 of allowance for the shares of Tschudi Financial Services OÜ was reversed as a result of improved financials in 2020.

In 2019, impairment loss of financial assets consisted of NOK 1,617,000 of additional allowances for subsidiaries (incl. NOK 480,000 under operating expenses), NOK 240,000 of additional allowances for associated companies and NOK 100,000 of additional allowances for loan receivables from other parties.

## Note 8 Income tax

In 2020, the Parent Company's income tax expense consisted of deferred income tax recognized in profit and loss accounts in the amount of NOK (59,000) and deferred income tax recognized directly in equity (Note 12) in the amount of NOK 59,000 (2019: NOK (58,000) and NOK 58,000, respectively).

	2020	2019
	NOK'000	NOK'000
Profit / (loss) before income tax	(3,658)	4,937
Permanent differences	(6,028)	(13,981)
Change in temporary differences	243	5
Group contributions from subsidiaries (with tax effect)	12,445	11,115
Change in tax losses carried forward	(3,002)	(2,076)
<b>Base for current income tax payable</b>	<b>-</b>	<b>-</b>

Reconciliation between tax expense and the product of accounting profit multiplied by Norway's domestic tax rate for the year ended 31 December was as follows (in NOK '000):

	2020	2019
<b>Profit / (loss) before income tax</b>	<b>(3,658)</b>	<b>4,937</b>
<b>At Norway's statutory income tax rate of 22%</b>	<b>805</b>	<b>(1,086)</b>
Not deductible expenses / additional income for tax purposes	(1,689)	(523)
Income not subject for corporate income tax	277	1,153
Change in unrecognized deferred income tax asset	607	456
<b>Total tax expense with the effective income tax rate of 0%</b>	<b>-</b>	<b>-</b>



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

As of 31 December, the Parent Company had deferred tax asset/(liability) regarding the following temporary differences:

	2020	2019
	NOK'000	NOK'000
Tangible and intangible assets	(44)	(16)
Receivables	12,336	12,354
Pension plans	1,072	1,452
Gains carried forward	(2,677)	(3,346)
Losses carried forward	17,768	20,770
<b>Total temporary differences</b>	<b>28,455</b>	<b>31,214</b>
22% of differences	6,260	6,867
Allowance for deferred tax asset	(6,260)	(6,867)
Deferred tax asset recognized	-	-

## Note 9 Receivables from group companies

As of 31 December, the Parent Company had the following long-term and short-term receivables from its subsidiaries:

<i>Long-term receivables</i>	2020	2019
	NOK'000	NOK'000
Long-term loans receivable from subsidiaries	19,159	14,890
Long-term loans receivable from a sister company	3,306	7,652
Long-term receivable for the sale of a subsidiary	15,038	14,726
Allowance for loans receivable	(19,159)	(11,539)
<b>Total long-term receivables</b>	<b>18,344</b>	<b>25,729</b>

Long-term receivable for the sale of a subsidiary is related to the sale of Tschudi Kirkenes AS (together with the Parent Company's receivables and payables to Tschudi Kirkenes AS and its subsidiaries) to the sister company Titlis AS in 2017. In 2020, the balance of the receivable increased as a result of accumulated interests and the currency translation effect (the receivable was denominated in U.S dollars). At the end of 2020, the receivable was converted into NOK and is due in 2023.

As of 31 December 2020, NOK 642,000 of long-term loan and other receivables from group companies is due in 2021. Other receivables are due in 2022-2023. Most of long-term receivables are denominated in NOK at the end of 2020 (except for NOK 955,000, which is denominated in EUR). The average interest rate of the loan and other receivables was 2.4% in 2020.

In 2020, the total balance of long-term loan receivables from subsidiaries and sister companies increased as a result of NOK 3,052,000 of new loans granted, NOK 5,019,000 of capitalized interests and trade accounts receivable (incl. interests for the previous years) and NOK 246,000 of currency translation effect and decreased as a result of NOK 4,813,000 of settlements in cash and NOK 3,581,000 of non-monetary settlements.



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

Allowance for long-term loan receivable increased as a result of NOK 4,566,000 of reclassification of allowance for current receivables (related to capitalized interests and trade accounts receivable) and NOK 3,054,000 of new allowances for loan receivables from subsidiaries (Note 7).

<b>Short-term receivables</b>	<b>2020</b>	<b>2019</b>
	NOK'000	NOK'000
Short-term loans receivable from subsidiaries	135	-
Allowance for short-term loans (Note 7)	(135)	-
Group contribution receivables from subsidiaries (Note 7)	13,045	16,095
Trade accounts receivable from subsidiaries	370	2,089
Trade accounts receivable from the parent and sister companies	1,815	1,734
Allowance for trade accounts receivable	(253)	(819)
Interests receivable from subsidiaries, net of allowance	-	111
<b>Total short-term receivables</b>	<b>14,977</b>	<b>19,210</b>

## Note 10 Other long-term receivables

As of 31 December, the Parent Company had the following other long-term receivables:

	<b>2020</b>	<b>2019</b>
	NOK'000	NOK'000
Long-term loans granted to related parties	2,459	436
Allowance for long-term loans granted to related parties	(349)	(348)
Warranty deposits (related to the lease of office)	1,101	1,094
Other long-term receivables <sup>1</sup>	850	7,497
Allowance for other long-term receivables <sup>1</sup>	(850)	(7,497)
<b>Total other long-term receivables</b>	<b>3,211</b>	<b>1,182</b>

<sup>1</sup> the decrease is related to write-offs after the end of bankruptcy process of borrowers.

## Note 11 Cash and cash equivalents

	<b>31.12.2020</b>	<b>31.12.2019</b>
	NOK'000	NOK'000
Cash in hand	4	4
Bank accounts, except for restricted cash	4	41
Restricted cash – bank account for withhold income tax	389	403
<b>Total cash and cash equivalents</b>	<b>397</b>	<b>448</b>



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

## Note 12 Equity

As of December 31, 2020, nominal value of shares of the Parent Company amounted to NOK 1,546. In 2019 and 2020, there were no changes in share capital.

	31.12.2020	31.12.2019
Number of shares	10,000	10,000
<b>Share capital (NOK'000)</b>	<b>15,460</b>	<b>15,460</b>
<b>Shareholders:</b>		
Felix H. Tschudi	4,900	4,900
Glarona AS (fully owned by Felix H. Tschudi and his family)	5,100	5,100

In 2019 and 2020, there were following movements in the total equity of the Parent Company:

	Share capital	Other equity	Total equity
	NOK'000	NOK'000	NOK'000
<b>Equity as of 31.12.2018</b>	<b>15,460</b>	<b>(122,741)</b>	<b>(107,281)</b>
Re-measurement loss on defined benefit plans (Note 3)	-	(264)	(264)
Deferred tax related to loss on defined benefit plans (Note 8)	-	58	58
Net profit for 2019	-	4,879	4,879
<b>Equity as of 31.12.2019</b>	<b>15,460</b>	<b>(118,068)</b>	<b>(102,608)</b>
Re-measurement loss on defined benefit plans (Note 3)	-	(271)	(271)
Deferred tax related to loss on defined benefit plans (Note 8)	-	59	59
Net loss for 2020	-	(3,717)	(3,717)
<b>Equity as of 31.12.2020</b>	<b>15,460</b>	<b>(121,997)</b>	<b>(106,537)</b>

## Note 13 Payables to group companies

As of 31 December, the Parent Company had the following long-term and short-term payables to its subsidiaries:

<b><i>Long-term payables</i></b>	<b>2020</b>	<b>2019</b>
	NOK'000	NOK'000
Long-term loans payable to subsidiaries	21,952	24,723
<b>Total long-term payables</b>	<b>21,952</b>	<b>24,723</b>

NOK 19,452,000 of long-term loans payable is due in 2021 and the rest is due in 2022; however, NOK 12,485,000 of long-term loans was already settled against group contribution receivable (Note 9) at the beginning of 2021. Average interest rate of the long-term loans was 4.2% on 2020.



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

In 2020, the total balance of long-term loans increased by NOK 10,724,000 of new loans received, NOK 166,000 of capitalized interests and NOK 353,000 of currency translation effect and decreased by NOK 231,000 of settlements in cash and NOK 13,783,000 of non-monetary settlements (mostly against group contribution receivables).

<u>Short-term payables</u>	2020	2019
	NOK'000	NOK'000
Trade accounts payable	4,086	5,147
Interests payable	398	757
<b>Total short-term payable</b>	<b>4,484</b>	<b>5,904</b>

#### Note 14 Other borrowings

##### Long-term borrowings

As of 31 December 2020, the Parent Company had a long-term sub-ordinated loan payable to shareholders in the amount of NOK 142,700,000 (2019: NOK 142,700,000). The loan is denominated in NOK and is due for repayment on 31 January 2023. The shareholder has accepted a request to waive interests for 2020 and 2019.

In 2019, the Parent Company received NOK 1,500,000 of additional loans from its shareholder. In 2020, NOK 1,000,000 of additional loan was received and NOK 250,000 was repaid in 2020. The outstanding balance of the loans is due on 31 January 2023.

#### Note 15 Transactions with related parties

The Parent Company has had several transactions with related parties, which all have been concluded on normal commercial terms (i.e., arm's length principle).

Information on revenue and interest expenses and income from related parties has been disclosed in Notes 2 and 5. Information on remuneration to the key management members has been disclosed in Note 3 and information on loan payable to a shareholder has been disclosed in Note 14.

In addition, the Parent Company had the following transactions with related parties:

- purchase of IT- and financial services from subsidiaries and other related parties in the total amount of NOK 3,659,000 (2019: NOK 4,183,000);
- lease of rooms from subsidiaries and other related parties in the amount of NOK 341,000 (2019: NOK 322,000).

#### Note 16 Guarantee and other commitments

##### Guarantee to DNB Bank

The Parent Company guarantees loans of Boreal Offshore AS (a subsidiary) from DNB Bank in the total amount of NOK 1.2 million.



ANNUAL REPORT 2020  
SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY

TSCHUDI SHIPPING COMPANY AS

**Note 17**      **Subsequent events**

A new shutdown of society at the end of January 2021 due to the corona pandemic has not had an impact on the annual accounts 2020. The assumption of continued operation is present, and the annual accounts for 2020 have been prepared under this assumption.